UNITED NATIONS

General Assembly

FORTY-NINTH SESSION

Official Records

FIFTH COMMITTEE
27th meeting
held on
Friday, 2 December 1994
at 10 a.m.
New York

SUMMARY RECORD OF THE 27th MEETING

Chairman: Mr. TEIRLINCK (Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 111: PATTERN OF CONFERENCES (continued)

AGENDA ITEM 132: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS

(b) RELOCATION OF BELARUS AND UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (c) OF GENERAL ASSEMBLY RESOLUTION 43/232

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of the publication* to the Chief of the Official Records Editing Section, room DC2-794, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/49/SR.27
16 December 1994

ORIGINAL: ENGLISH

/...

The meeting was called to order at 10.25 a.m.

AGENDA ITEM 111: PATTERN OF CONFERENCES (continued) (A/49/32, A/49/212, A/49/276 and Add.1-2 and A/49/531; A/C.5/49/2/Rev.1 and A/C.5/49/34 and Corr.1)

1. Ms. MENON (Singapore) said that her delegation wished to submit for initial consideration in informal negotiations a draft resolution, sponsored by 128 countries, on the question of facilities for bilateral meetings and contacts during sessions of the General Assembly. The objective was to facilitate, during the period of the general debate in the General Assembly, the bilateral meetings which had become a very useful means of helping to make the United Nations, in the words of Article 1 of the Charter, "a centre for harmonizing the actions of nations". The United Nations was an attractive venue for such meetings because it provided a neutral setting and because not all Member States had adequate meeting facilities in their mission premises. However, the huge increase in the membership of the United Nations had made the facilities quite inadequate.

2. The draft resolution requested the Secretariat to make improvements in the arrangements for the use of the Chinese and Indonesian lounges during the period of the general debate and to make other rooms available for bilateral meetings, for example, conference rooms A to E. The proposal would not involve any major renovation or addition to the United Nations building, only the provision of suitable furniture. The management of the facilities would also have to be addressed by the introduction of a reservation system to replace the current unsatisfactory "first come, first served" arrangement.

AGENDA ITEM 132: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued) (A/48/421 and Add.1, A/48/622, A/48/912 and A/48/945 and Corr.1; A/49/577 and A/49/664)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS

(b) RELOCATION OF BELARUS AND UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (C) OF GENERAL ASSEMBLY RESOLUTION 43/232

3. Mr. OWADA (Japan) said that the importance of peace-keeping operations to the maintenance of the international order in the post-cold-war era would continue to increase as the international community sought to cope with regional instability and conflict. Peace-keeping operations had expanded so rapidly that there had not been sufficient time to engage in a comprehensive review of their administrative and budgetary aspects; as a result, stopgap measures had been necessary. A fundamental review of the system as a whole could no longer be deferred; there was an urgent need to improve the budgeting, planning and implementation of peace-keeping operations. His delegation had noted with concern the comment of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (A/49/664, para. 6) that the overwhelming impact of peace-keeping operations had seriously affected the Secretariat's capacity to manage and the General Assembly's capacity to oversee the work of the

Organization. The success or failure of efforts to develop a more rational system for the budgeting, financing and administration of peace-keeping operations would have a critical impact on the overall credibility of the Organization's activities.

4. Planning was critical to the effectiveness and efficiency of peace-keeping operations and the prior dispatch of a survey mission made a significant contribution to that process. In addition, when a peace-keeping mandate did not specifically cover humanitarian assistance, close coordination was essential between the two types of activity. It was important for the Department of Peace-keeping Operations and the Department of Administration and Management to strengthen their management capacity and improve their coordination with each other.

5. Peace-keeping operations could not be sustained without adequate financial resources. While it was important to guard against any uncontrolled expansion of the peace-keeping budget, Member States must fulfil their fundamental obligation to pay their assessed contributions. Unless they did so, any new measures relating to the financial authority to meet start-up costs would prove futile. Priority should be given to replenishing the Peace-keeping Reserve Fund at its original level to meet the start-up costs of any new or expanded operations.

6. Rationalization of the budgetary process, with the streamlining of the budget cycle, was also critical. His delegation supported an annual budget for peace-keeping operations, even when the requirements of an operation might fluctuate, provided that a review took place if the mandate was altered. It also supported the Secretariat's efforts to rationalize in other areas, including the improvement of the budget format, the development of a budget formulation manual and the expansion of the Standard Cost Manual.

7. With regard to personnel, he welcomed the progress made in the formulation of stand-by troop arrangements, which should facilitate deployment. As far as civilian personnel were concerned, it must be clearly recognized that new categories of peace-keeping operations, with their wide-ranging activities, required several types of international staff: personnel seconded from Member States and agencies, United Nations Volunteers, local staff and international contractual personnel. An appropriate system of personnel recruitment and management was therefore required. Coordination, as well as training and the provision of adequate equipment, would be extremely important in ensuring effectiveness and efficiency.

8. There was also a general need to promote transparency. The Secretariat should streamline recruitment and procurement procedures. Oversight and audit functions, both at Headquarters and in the field, must be strengthened; he hoped that the Office of Internal Oversight Services would make a positive contribution in that area. Some cases of irregularity and mismanagement had already come to light, and he would welcome an explanation.

/...

9. His delegation commended the efforts to draft a multilateral convention to ensure the safety and security of United Nations personnel, and hoped that its effective implementation would contribute to that end. No differentiation should be made in that regard between peace-keeping and humanitarian operations.

10. The procedures governing reimbursement for contingent-owned equipment were in great need of rationalization, particularly since that issue had an important bearing on decisions by Member States to commit contingents. He welcomed the Secretariat's initiative in setting comprehensive standards for each category of equipment and establishing reimbursement rates. The issue of compensation for death and disability was a highly sensitive one, and every effort must be made to find a constructive solution.

11. Given the importance of the item under consideration, he hoped that the Committee would give it a high priority so that the administrative and financial management of peace-keeping operations would be improved without further delay. The current precarious situation, which adversely affected the Organization's credibility, must be remedied and a sound administrative and budgetary system set in place

12. Mr. LAMAMRA (Algeria), speaking on behalf of the Group of 77 and China, reaffirmed the responsibility of all Member States for the financing of peace-keeping operations and urged States to pay their assessed contributions in full and on time. The adverse impact of the deteriorating financial situation on the reimbursement of contributors of troops and equipment gave cause for concern. The reforms currently under consideration should lead to a more cost-effective mechanism and to greater accountability.

13. In general, the Group of 77 and China endorsed the Advisory Committee's recommendations. A distinction should be maintained between peace-keeping and humanitarian and development activities, so as to preserve the impartial character of the latter. He endorsed the comments on financing made by the Advisory Committee in paragraph 15 of its report (A/49/664), and noted that any decision to increase the level of the Peace-keeping Reserve Fund would not in itself alleviate the cash-flow problem. Moreover, any reform of the budgetary process must not detract from the prerogatives of the General Assembly.

14. The Group of 77 and China shared the concerns expressed by ACABQ that at any given time one or more peace-keeping operations were operating without legal financial authority. In the context of the rationalization of the budgetary process, more information should be provided regarding the political and financial implications of the system of annual cost estimates.

15. The Group of 77 and China endorsed the Advisory Committee's views regarding international contractual personnel and hoped that all recruitment for peace-keeping operations would respect the principle of equitable geographical distribution.

16. With respect to death and disability benefits, he said that, in accordance with the principle of equal treatment of Member States, no distinction should be

made among those who risked their lives in the cause of peace. He looked forward to the submission of proposals regarding reimbursement in respect of contingent-owned equipment and emphasized that any new arrangements should not be made retroactive.

17. He endorsed the recommendations of the Board of Auditors regarding the need for a comprehensive reform of the procurement process, with a view to securing a transparent and open system that would guarantee that the Organization got the best value for money.

18. Mr. MISHRA (India) said that the effective planning of peace-keeping operations would facilitate mission management. The Advisory Committee's suggestions in that regard merited further consideration. His delegation believed that a distinction should be maintained between peace-keeping and humanitarian activities, and that the latter should be financed through voluntary contributions.

19. The development of a rational system for the budgeting, financing and administration of peace-keeping operations was indeed important. The current cash-flow problems of the Organization arose primarily from the failure of Member States to pay their contributions in full and on time, and the situation would remain precarious until that situation was resolved. While his delegation was willing to discuss the level of the Peace-keeping Reserve Fund, it shared the Advisory Committee's reservations regarding its enhancement.

20. The proposal to increase commitment authority from the current limit of $10 million was justified, but his delegation could not agree to the assessment of one third of the preliminary financial estimates provided to the General Assembly. If the level of the commitment authority was raised to $50 million in each case, the cumulative amount could be very significant. It might therefore be more reasonable to set an upper limit for the authority of the Advisory Committee against which requirements in respect of new or expanded missions could be drawn.

21. An extended budget cycle and annual/semi-annual cost estimates would help to reduce the workload of the Secretariat and the Fifth Committee, although more information was required on the criteria for deciding which operations would have annual cost estimates. Consideration should also be given to the question of whether the Fifth Committee should decide upon cost estimates for peace-keeping operations in advance of Security Council decisions on their mandates.

22. He welcomed the development of a Standard Cost Manual. Equipment specifications were a critical element in determining standard costs and the manual should be subject to scrutiny by an intergovernmental group of experts. His delegation was not in favour of a consolidated budget submission for all peace-keeping operations; such operations should continue to be the subject of separate budgets. He welcomed the proposals for the strengthening of internal audit functions, and agreed that the use of resident auditors should be decided on a case-by-case basis.

23. On personnel issues, he said that, while there were reasonable grounds for having start-up rosters, more information was needed. A uniform set of arrangements would need to be developed in respect of limited duration appointments and full use should be made of national rosters. He shared the Advisory Committee's concern with regard to international contractual personnel; the recruitment of such personnel should be based on standard and transparent criteria, with due regard for geographical distribution. The system must not, however, lead to a parallel system of recruitment.

24. His delegation regretted the continued reluctance to heed appeals for equal treatment in respect of compensation for death and disability. No distinction should be made on the grounds of nationality or other criteria. He trusted that all Member States would understand the need for non-discriminatory provisions and take appropriate action at the current session.

25. India attached great importance to the question of contingent-owned equipment. Objective criteria should be established for determining reimbursement and they should then be applied uniformly to all countries and missions. With regard to the proposal for start-up kits, his delegation awaited detailed indications of feasibility and cost.

26. He shared the concern of the Board of Auditors with regard to procurement, which should be subject to international competitive bidding. Rosters of pre-qualified suppliers should be established on the basis of international tendering and should be regularly updated. The use of exigency provisions should be restricted. The Board's comments regarding conflict of interest in requisitioning departments were deeply disturbing. It was essential to reform the procurement system in order to introduce transparency and accountability.

27. With regard to the question of liquidation of assets, he said that all the assets of an operation should be used to meet its unliquidated obligations, priority being given to troop contributors. That would be one way of partially liquidating the liabilities, particularly since the special accounts of peace-keeping operations were invariably in deficit at the end of the mission.

28. Mr. BEYAEV (Belarus) said that Belarus had a fundamental interest in ensuring the effective use of the United Nations to prevent and settle conflicts and maintain a stable world order and it appreciated the contribution made by the Organization in the form of peace-keeping operations. It shared the growing concern, however, about the level of efficiency of peace-keeping activities at a time when their number and scope were increasing. It was particularly worrying that a rational system of budgeting, financing and administration had still not been established. Such a system was essential not only for the effective management of peace-keeping operations but also for the maintenance of the necessary trust between the policy-making and executive organs of the United Nations, the managers of the operations and Member States.

29. The reports of the Secretary-General contained a number of proposals which could form the basis for other improvements in the management of peace-keeping

/...

operations, provided that account was taken of the recommendations of ACABQ. In particular, the Advisory Committee noted in paragraph 118 of its report (A/49/664) that no economy measures had been proposed by the Secretary-General. It was to be hoped that such measures would be proposed and implemented, for the issue was vital to any assessment of the management of resources and to the maintenance of trust.

30. In his report to the General Assembly at its forty-seventh session (A/47/484), the Secretary-General had raised the question of anomalies in the allocation of countries to the four groups set out in resolution 43/232 and had proposed measures to correct that obvious injustice, in particular through the relocation of States in the light of their ability to pay. Belarus and Ukraine were two States with a keen interest in an immediate decision on the question, for their assessed contributions to the costs of peace-keeping operations had always been too high. The whole issue should, in fact, be comprehensively reviewed.

31. In view of the economic difficulties experienced by Belarus and Ukraine, the General Assembly had acknowledged, at its forty-eighth session, that the question of their relocation to the group of Member States set out in paragraph 3 (c) of resolution 43/232 could be considered separately. The basic arguments in support of the position of Belarus had been set forth in the note verbale dated 12 August 1993 from the Ministry for Foreign Affairs of Belarus (A/48/315). Additional information had been provided by the delegations of Belarus and Ukraine during informal consultations.

32. The Government of Belarus was sincerely grateful to all those States which had supported General Assembly decision 48/472 concerning the non-applicability of Article 19 of the Charter, which had temporarily released Belarus from its obligations but did not provide a solution to the fundamental problem of its indebtedness. It therefore hoped that the Committee would take a decision on the relocation of Belarus and Ukraine before the end of 1994. It was ready to consider any new approaches to the apportionment of the costs of peace-keeping operations, but action must be taken quickly if the Organization's financial crisis was to be resolved.

33. Mr. LIAN (Norway), speaking on behalf of the five Nordic countries, said that they had taken part in almost all United Nations peace-keeping operations and were currently providing approximately 8 per cent of the total peace-keeping force in the field. The dramatic increase in the number of operations meant that the United Nations now spent three times more on peace-keeping than on the regular budget. The Nordic countries agreed with ACABQ that the impact of the peace-keeping operations had seriously affected the Secretariat's capacity to manage and the General Assembly's capacity to oversee the work of the United Nations and that the development of a rational system for their budgeting, financing and administration was crucial to management throughout the United Nations and the maintenance of the necessary trust between the Secretariat and the General Assembly (A/49/664, para. 6).

34. The financial crisis of United Nations peace-keeping operations would not have arisen if Member States had paid their contributions on time and in full. The Organization's ability to respond effectively to situations which threatened international peace and security was also hampered by the budget process, procedural requirements and the lack of an adequate managerial infrastructure. Member States now had an opportunity to correct that situation. The steps already taken by the Secretariat to improve its management capacity were welcome, but the task of catching up with the requirements had been made more difficult by the General Assembly's recent tendency to slice budgetary periods up into small pieces. The Nordic countries shared the concern of the Secretariat and the Advisory Committee about the consequent time-consuming reporting and approval arrangements. They therefore welcomed the new momentum for reform generated by the reports of the Secretary-General (A/48/945 and A/49/557) and of the Advisory Committee (A/49/664). Some of the questions raised warranted urgent decision, while others might benefit from lengthier consideration. The Nordic countries felt that the interpretation placed by ACABQ on the inclusion of humanitarian assistance in peace-keeping budgets might be too narrow; many of the peace-keeping operations had a basically, or partly, humanitarian rationale.

35. The Nordic countries had welcomed the establishment of the Peace-keeping Reserve Fund to provide start-up financing, but were concerned that the Fund had not yet been fully funded or used for the intended purposes. The Advisory Committee was right to argue that the establishment of further reserve mechanisms would not significantly alleviate the cash-flow problems and might merely increase the burden on those Member States which met their obligations. The Nordic countries agreed with the Advisory Committee that all existing reserve funds must be fully used, and with the Secretary-General's view that a reserve level of one third of the estimated costs would be appropriate.

36. Standard costing would make an important contribution to improved start-up financing and should be introduced for all stages of peace-keeping budgeting. Enhanced commitment authority for the Secretary-General and up-front assessment possibilities were vital means of improving cash flow at the start-up phase or for the expansion of missions. The Nordic countries generally supported the Secretary-General's proposals in that regard and had previously stated their willingness to provide commitment authority for one third of the preliminary estimates. They also shared the view of the European Union that there should be no commitment authority without apportionment of expenses. They noted the modifications proposed by ACABQ and looked forward to a fuller discussion of the question in informal consultations, as well as a discussion of the Secretary-General's recent proposal regarding the issuance of peace-keeping redeemable certificates.

37. The most urgent reform proposal before the Committee was the de-linking of the peace-keeping budget cycle from the mandate periods of the operations. That reform would give Member States and the Secretariat an approximate idea of future funding requirements, although assessment letters would continue to be issued in tandem with mandate renewals. Peace-keeping budgets could be considered once a year for most operations and once every six months for

operations with fluctuating requirements. The reform would also produce a radical reduction in the number of financial reports prepared by the Secretariat and considered by the General Assembly and ACABQ. The Nordic countries wholeheartedly supported the proposal.

38. Reimbursement for contingent-owned equipment was a vexatious issue which should now be given priority. For various reasons, no reimbursement had been paid out between 1987 and September 1994. The Nordic countries endorsed the Secretary-General's proposal for a standardization project and would be pleased to participate in the project and to provide supporting expertise.

39. The proposal for the establishment of a supply of start-up kits was very sound. The Nordic countries noted the ACABQ recommendation that a detailed report on the financing of such a facility should be provided at the current session and pointed out that posts at the United Nations supply facility at Pisa were funded from the regular budget.

40. The pilot project on the use of international contractual personnel in the United Nations Protection Force (UNPROFOR) had resulted in considerable economies, but the employment of such personnel also raised several questions. The pilot project should be evaluated so that a judgement could be made with regard to the continuation of the new procedures in UNPROFOR and the possible extension of the use of such personnel to other operations.

41. The Nordic countries agreed with the thrust of the proposals made by other Member States for modifications in the current system for the disposal of budgetary surpluses of completed operations, whereby States in arrears in respect of some operations would not have access to credits arising from budgetary surpluses in others. Appropriate changes should therefore be made in the Financial Regulations and Rules.

42. It should be remembered that, through their consideration of the financial and technical aspects of peace-keeping operations, Member States were striving to enable the United Nations to accomplish some of its most important goals more effectively. The questions before the Committee should therefore be given high priority and the Nordic countries were prepared to make their contribution to the reform process.

43. Mr. TAKASU (Controller) drew attention to the table describing the commitment authority status of peace-keeping missions which had been circulated to members of the Committee. It would be noted that commitment authority had expired for five of the operations; the Committee and ACABQ would have to take urgent action to provide legal and financial authority for their continuation. He awaited the Advisory Committee's guidance on that issue.

The meeting rose at 11.45 a.m.

UNITED NATIONS
General Assembly
FORTY-NINTH SESSION
Official Records

FIFTH COMMITTEE
28th meeting
held on
Monday, 5 December 1994
at 10 a.m.
New York

SUMMARY RECORD OF THE 28th MEETING

Chairman:	Mr. TEIRLINCK	(Belgium)
later:	Mr. BARIMANI (Vice-Chairman)	(Islamic Republic of Iran)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 108: PROGRAMME PLANNING (continued)

AGENDA ITEM 105: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of the publication* to the Chief of the Official Records Editing Section, room DC2-794, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/49/SR.28
16 December 1994

ORIGINAL: ENGLISH

/...

The meeting was called to order at 10.35 a.m.

AGENDA ITEM 108: PROGRAMME PLANNING (continued) (A/49/6, A/49/16 (Parts I and II), A/49/99 and Add.1, A/49/135 and Add.1, A/49/301 and A/49/310; A/C.5/49/27 and Add.1; E/1994/4 and E/1994/19)

1. Mr. LONDOÑO (Colombia) said that programming, implementation and oversight were essential elements in the planning process and that it was important to maintain a balance between policy and operational planning. The effectiveness of policy planning depended largely on the faithfulness of programme implementation. Discrepancies undermined both legislative mandates and the democratic nature of the planning process, ultimately diminishing the Organization's efficiency. Operational planning represented the Organization's actual capacity to implement policy planning.

2. The medium-term plan was the strategic document of the Organization which provided a balance between policy and operational planning. In the new format of the plan, the perspective would identify the principal problems and trends and establish a framework for the Organization's activities. Capacity to act was directly linked to the prevailing management culture. The introduction of the new format would have an impact on restructuring, which should be subject to periodic revision to reflect the changing needs of the international community. The review of the programmes contained in the medium-term plan should take place subsequent to an analysis of the implications for organizational structures and an in-depth discussion of the perspective.

3. The Secretary-General's report on programme performance for the biennium 1992-1993 (A/49/135 and Add.1) introduced a number of innovations in terms of format. However, the standardized presentation of programmes represented a simplification which was open to differing interpretations in terms of both the results obtained and the conclusions derived on the basis of the level of implementation. The overall level of implementation of 73.8 per cent for 1992-1993, for example, might vary if adjusted for expenditure. The same was true of professional work-months, which included consultants. Consideration of expenditure would also affect the distribution of the Organization's activities by category, and it was not possible to conclude categorically that 62 per cent of the total work-months utilized had been committed to the implementation of activities that generated final outputs.

4. The fact that almost 1,600 programmes had been postponed or terminated had had an impact on the sensitive areas of economic and social activities. Since there appeared to have been some organizational difficulties in that regard, his delegation looked forward to the results of the inspection reviews referred to in paragraph 36 of the report (A/49/135). He agreed that the lack of qualitative assessment was one of the problems in programme performance reporting, and he looked forward to the introduction of monitoring and self-evaluation with a view to the improvement of programme performance.

5. The new system of accountability and responsibility would provide a basis for the successful attainment of established goals and objectives. Notwithstanding the difficulties faced by the Organization, changes in the various planning phases would enable new challenges to be met. The interrelationship and synchronization of the three planning phases should be viewed as a priority task and as a prerequisite for success.

6. Mr. TOMMO MONTHE (Cameroon) said that the report on programme performance for the biennium 1992-1993 (A/49/135 and Add.1) indicated that the implementation rate for high-priority subprogrammes was below 70 per cent in certain economic and social development sectors. Several programmes had been affected by the restructuring of the Secretariat and, in some cases, new programmes had been initiated in response to developments and resources had had to be allocated to them, at times without the approval of legislative bodies. Future reports should emphasize a monitoring approach focusing on both results and problems. In that connection, his delegation endorsed recommendation 3, on performance evaluation, in the report on strengthening the role of evaluation findings in programme design, delivery and policy directives (A/49/99).

7. With regard to the report of the Committee for Programme and Coordination (CPC), he said it was extremely difficult for the Fifth Committee to make firm recommendations to the General Assembly in the absence of the views of the Advisory Committee on Administrative and Budgetary Questions (ACABQ). Moreover, the responses to the invitation to the Chairmen of the Main Committees to comment on the proposed revisions to the medium-term plan had not been very helpful. For example, the Fourth Committee had made no comments whatsoever, either through a failure to appreciate the importance of the issue or as a result of the absence of appropriate technical advice. The First and Sixth Committees had claimed that no revisions had been proposed to programmes relevant to their work, a statement which, at least in the case of the Sixth Committee, was somewhat surprising. Even in the case of the Second and Third Committees and the General Assembly itself, the replies received seemed to express the views of groups of delegations rather than of the organs as a whole, so that they were somewhat contradictory. It appeared that the responsibility for reaching a consensus was being left to the Fifth Committee, whose real responsibility was, rather, to draft the overall resolution on the medium-term plan, taking due account of the views of the other Main Committees.

8. It seemed that an effort needed to be made to ensure a better understanding of the planning process. In that regard, the report on the prototype of a new format of the medium-term plan (A/49/301) was timely. The new format proposed a perspective, covering a period of four to six years, and a programme framework. The administrative structure would reflect programmes. Once again, the views of the Advisory Committee were necessary, particularly since the proposals affected the administrative structure of the Secretariat. In any event, while administrative structures might well be made to coincide with programmes, that should not be done at any cost. In the case of programme 45, for example, it had been proposed that its content should be divided among programmes 5, 12 and 22, in other words among different administrative units. Whatever the administrative structure, his delegation wished to stress that the programme

must remain intact with all its constituent elements. As stated in regulation 3.6 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, the plan should be presented by programme and objective, and not by organizational unit.

9. As for the new planning time-frame, the United Nations should think in terms of a perspective covering the period to the year 2000 or 2006, taking into account the planning cycles of other organizations of the system. The prototype of the new format should look ahead, identify the principal obstacles, suggest solutions and assign appropriate responsibilities. There should, of course, be an appropriate input by the Administrative Committee on Coordination (ACC).

10. His delegation endorsed a four-year time-frame for the programme framework, and agreed with CPC that annexes I and II to the prototype were for illustrative purposes only. In particular the model presented in annex I suffered from the defects criticized in the existing plan, namely, a lack of precision. The Secretariat should make an effort to correct that problem.

11. With regard to the proposed programme budget outline for the biennium 1996-1997 (A/49/310), he said that, pending the Advisory Committee's views he would make only provisional comments. His delegation endorsed most of the views of CPC, particularly those set out in paragraph 137 (b) of its report (A/49/16 (Part II)), regarding the preliminary estimate of resources, and in paragraph 138, regarding growth. His delegation also took note of the proposal regarding the size of the Contingency Fund. Notwithstanding the difficulties involved in interpreting some elements of the new budgetary process introduced pursuant to General Assembly resolution 41/213, efforts to refine the process must continue.

12. Lastly, he noted the improvement in the annual overview report of ACC (E/1994/19). It would, however, be useful if ACC would highlight the questions and the analyses of specific proposals in respect of which the executive heads would wish to have recommendations from States. He welcomed the emphasis placed in the report on current substantive issues in the economic and social spheres and asked whether the joint CPC/ACC meetings were still in progress, since they were no longer held at a high level.

13. Mr. BIRENBAUM (United States of America) said that his delegation welcomed the new and more concise format of the medium-term plan, which was the essential strategy document for the United Nations. Not only would it chart the course to be followed during a four-year period, but it would also serve as a direct link to the programme budget which implemented the strategic plan. Every Secretariat department would be able to turn to one place for the objectives and mandates which were the source of its authority, and it would be very clear to Member States exactly what was expected of every department. That, in turn, should lead to enhanced accountability. The new format would thus provide critical underpinning for the improved system of responsibility and accountability.

/...

14. The medium-term plan must be a dynamic policy document reflecting evolving priorities. Establishing the perspective for a four-year rather than the current six-year period, would help to ensure that it was more in tune with current thinking. The programme framework would take its cue from the overall perspective and, by reviewing that framework every two years, during off-budget years, the membership should be able to ensure that it reflected current priorities, which, in turn, should be reflected in the following biennial budget request.

15. He commended the Secretariat for the concise and clear proposed programme budget outline for the biennium 1996-1997 (A/49/310), and welcomed the overall budget ceiling of $2,574 million. It was the first time that the Secretary-General had presented a budget outline which proposed to do more with less. Member States were acutely aware of national budgetary constraints, and the Organization must make a serious effort to live within similar constraints. His delegation also endorsed the proposed priorities, particularly with regard to human rights and humanitarian affairs, and the proposal for the strengthening of the internal oversight functions. He welcomed the indication that economies in the order of $15 million would not appear unrealistic, and hoped that further economies would be realized as a result of management improvements. Further redeployment should take place in the budget for the biennium 1996-1997 to take account of such priority areas as human rights, humanitarian affairs and the Office for Inspections and Investigations.

16. Lastly, his delegation supported the proposed revisions to the medium-term plan, specifically those relating to programme 35, on the promotion and protection of human rights. He regretted that the views of his delegation, which had been transmitted to the Chairman of the Third Committee, had not been reproduced in document A/C.5/49/27/Add.1.

17. Mr. ETUKET (Uganda), referring to the prototype of a new format of the medium-term plan (A/49/301), said that his delegation supported the Secretary-General's proposal that the perspective should indicate broad priority areas, but added that it should also highlight existing problems. In that connection, his delegation endorsed the conclusions and recommendations of the Committee for Programme and Coordination contained in paragraph 111 of its report (A/49/16, (Part II)) concerning the structure and content of the perspective. In his delegation's view, the United Nations should continue to be seized of existing problems until they were resolved, as had occurred with apartheid. On the subject of the programme framework for the medium-term plan, his delegation was in favour of continuing the current practice of identifying priorities at the subprogramme level. It also endorsed the observation of CPC in paragraph 112 of its report with regard to the need to ensure delivery of all mandated activities; accordingly, it endorsed the view of CPC that annexes I and II to document A/49/301 should be regarded as being for illustrative purposes only. It also agreed with the delegation of Cameroon concerning the need to maintain the structure and content of programme 45.

18. With reference to the proposed programme budget outline for the biennium 1996-1997, his delegation emphasized the need to adhere to the letter and spirit

of General Assembly resolution 41/213 in general, and annex I, section A, in particular. As for the outline and its content, his delegation fully concurred with the recommendation of CPC in paragraph 137 of its report, which listed the elements to be taken into account by the General Assembly in taking a decision on the Secretary-General's proposals. Noting the anticipated negative growth rate of 3.2 per cent of the preliminary estimate as compared to the projected revised estimate for the biennium 1994-1995, his delegation urged the Secretariat, in making proposals on the draft programme budget for the biennium 1996-1997 to ensure that development programmes, more particularly those relating to Africa and the least developed countries, were not adversely affected by the projected reduction in resources. Accordingly, the breakdown of resources by major programmes contained in the annex to document A/49/310 should be considered as purely illustrative.

19. With regard to coordination questions, his delegation expressed its appreciation for the revised System-wide Plan of Action for African Economic Recovery and Development, which should provide a more proactive framework for the coordination of activities on African development throughout the United Nations system. While welcoming the proposal in the Plan that priority should be given to economic diversification and regional integration in Africa, his delegation would have liked to see external indebtedness included in the list of priorities. The allocation of additional resources to Africa in the implementation of the Plan by the various entities of the United Nations system and in the framework of bilateral cooperation remained essential.

20. In conclusion, he said that, like the delegation of Cameroon, his delegation was disappointed by the nature and scope of the responses received from the other Main Committees. It was to be hoped that the Fifth Committee would be able to recommend agreed revisions to the General Assembly, rather than the opinions of individual delegations or groups of delegations on the proposed revisions to the medium-term plan. His delegation was willing to cooperate in any endeavour to reach such a consensus.

21. Mr. MIR MOHAMMAD (Islamic Republic of Iran) drew attention to regulation 3.11 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, which provided that the medium-term plan should be revised as necessary every two years to incorporate required programme changes and that the proposed revisions should be as detailed as required to incorporate the programme implications of the resolutions and decisions adopted by the intergovernmental organs or international conferences since the adoption of the plan. Since the medium-term plan was a basic instrument of the Organization, its contents were of great interest to Member States and it was essential that the revisions to the programmes should be in accordance with the wishes of the Member States.

22. His delegation noted that some of the proposed revisions did not adequately take into account all the legislative mandates contained in the relevant resolutions and decisions. For example, the proposed revisions to programme 35 were not an adequate reflection of guidelines and priorities agreed to in the

Vienna Declaration and Programme of Action; they did not take into account the interests of all Member States and they deviated from the consensus represented by the Vienna Declaration. Moreover, owing to time constraints, the document had not been subjected to a thorough study in the Third Committee and, because of the deviations from the Vienna Declaration, neither CPC nor the Third Committee had been able to endorse the proposed revisions. Accordingly, his delegation felt that the Fifth Committee should not take action on the document. His delegation was particularly concerned that the balance in the Vienna Declaration between the necessity of implementing all aspects of human rights and the priority of the right to development had not been reflected. The resources for human rights programmes should not be utilized at the cost of resources for development, and the restructuring of the Secretariat should not jeopardize mandated programmes and activities.

23. Finally, his delegation reaffirmed that it could not support the transfer of the Electoral Assistance Division to the Department of Peace-keeping Operations; it could see no justification for such a transfer.

24. Mrs. GOICOCHEA (Cuba) said that, as at previous sessions of the General Assembly, the Committee had not been able to review the various revised programmes individually. Her delegation hoped that the Secretariat would make the necessary arrangements for such a review to be made at future sessions.

25. Her delegation fully endorsed the views expressed by the representative of Cameroon concerning the difficulties faced by the Committee in taking a position on programmes that had been discussed in other Main Committees. It also endorsed his remarks regarding the Secretariat's proposal to link Secretariat structures directly with programmes.

26. Referring to programme 12, she said that her delegation wondered why no specific proposals had been made to apply the relevant General Assembly resolutions concerning economic coercive measures. There was a legislative basis for making such proposals and her delegation regarded their omission by the Secretariat as a serious matter. With reference to subprogramme 5 of programme 12, she pointed out that the approval of the subprogramme would be subject to the provisions of resolution 48/228 and the recommendations of CPC.

27. She noted that CPC had been unable to make a recommendation with regard to programme 21 and that, in paragraph 23 (b) and (c) of General Assembly resolution 48/228, the Secretariat had been requested to reformulate certain activities, in particular those relating to public administration and finance. Instead of doing so, however, the Secretariat had submitted a series of proposals under subprogrammes 1 and 2 of programme 21 for which there was no legislative mandate. She noted that, during the discussion in CPC, the Secretariat had drawn attention to decision 1994/296 of the Economic and Social Council in which the Council had taken note of a number of documents, including the report of the Secretary-General on the Eleventh Meeting of Experts on the United Nations Programme in Public Administration and Finance (E/1994/56) which contained substantive proposals relevant to programme 21. Her delegation felt that those proposals should be discussed in detail by the Second Committee.

/...

28. With reference to programme 35, she said that it clearly exemplified the Secretariat's practice of including proposals for which there was no mandate and of selectively interpreting mandates approved by Member States. As the delegations of the Islamic Republic of Iran and China had said, programme 35 constituted a total revision of what had been decided at the World Conference on Human Rights. Her delegation's comments on that programme were set forth in appendix III to document A/C.5/49/27/Add.1 and she asked the Secretariat to explain why those comments had been either ignored or reinterpreted. When the Secretariat came to reformulate the programme, it should include, in particular, the new paragraphs under paragraph 35.15 requested by Cuba concerning the adoption of specific measures to combat new forms of racism and racial discrimination, xenophobia and related intolerance, and ways and means of promoting and protecting the rights of the child. She also asked the Secretariat to ensure that references to fact-finding missions specified that such missions were "mandated", in accordance with General Assembly resolution 48/228, paragraph 22 (d).

29. Ms. STAMATOPOLOU-ROBBINS (Centre for Human Rights), responding to the comments made by delegations, said that the approach used by the Secretariat in preparing the proposed revisions to the medium-term plan had been to give a programmatic aspect to the Vienna Declaration and Programme of Action, which the Secretariat had no intention - or mandate - to change. The references in document A/49/6 (Prog. 35) to the Vienna Declaration and Programme of Action were not intended to reproduce the text verbatim but to summarize its ideas.

30. Since all the parts of the Vienna Declaration were interconnected, the Declaration should be read as a whole in conjunction with resolution 48/141, whereby the General Assembly had created the post of the High Commissioner for Human Rights, and other relevant resolutions, and with the practice of human rights bodies. The proposed subprogramme structure was based on the organizational structure of the Centre for Human Rights, which had been changed from three to five branches in July 1993. Five subprogrammes corresponded to the mandates requested by legislative organs and were carried out by the five branches, while the new subprogramme 1 was consistent with the Vienna Declaration and Programme of Action and with resolution 48/141, which emphasized coordination.

31. Subprogramme 1, international cooperation for human rights, was a priority of the High Commissioner's own action. In his first report to the General Assembly (A/49/36), the High Commissioner had indicated the steps he was taking to discharge his functions. At the most recent session of ACC in April 1994, human rights had been on the agenda for the first time ever and the session had concluded by affirming the commitment of all the organizations to the implementation of the Vienna Declaration and Programme of Action. In August 1994, the High Commissioner had begun a dialogue with all the heads of agencies and programmes of the United Nations system on the recommendations made by ACC with regard to human rights.

32. The High Commissioner had stressed the importance of the preventive role which he intended to play in relation to human rights, in accordance with his

/...

mandate. He had attempted to play such a role in Burundi and the High Commissioner's office in Bujumbura was putting the preventive approach into action through a programme comprising training and educational activities, advisory services, human rights fellowships, human rights documentation, promotional activities for a human rights culture, support for the Centre for Human Rights in Bujumbura, and assistance to the human rights promotional activities of national non-governmental organizations involved in human rights. With regard to peace-keeping and post-conflict peace building, to which some delegations had referred, she said that part II, paragraph 97, of the Vienna Declaration and Programme of Action specifically referred to peace-keeping. Moreover, it had been the practice of the Commission on Human Rights to offer technical assistance and advisory services to countries emerging from conflicts. That had been done in Cambodia and El Salvador and programmes were due to start shortly in Rwanda and in parts of the former Yugoslavia. Moreover, part I, paragraph 6, of the Vienna Declaration and Programme of Action provided the framework for the role of human rights in peace-building.

33. Referring to the right to development, she said that subprogrammes 2, 5 and 6 dealt with that right, each from a different point of view. Moreover, the High Commissioner for Human Rights was specifically charged with promoting and protecting the realization of the right to development. In addition, the proposed subprogramme 1, relating to coordination, would also deal with the right to development. The various activities within the United Nations human rights programme regarding the right to development included those of the Working Group on the Right to Development of the Commission on Human Rights, which was charged with the formulation of comprehensive and effective measures to eliminate obstacles to the implementation of the Declaration on the Right to Development. High-level consultations were being undertaken with Heads of State or Government, heads of the multilateral financial institutions and other bodies and a report on the results of those consultations would be submitted to the Commission on Human Rights at its fifty-first session. The Subcommission on Prevention of Discrimination and Protection of Minorities also contributed to the understanding of the right to development and the committees established under the human rights treaties all dealt with aspects of the right to development. With respect to the reflection of the interdependent and interrelated concepts of the right to development at the national level, she said that the United Nations advisory services and technical cooperation programme in the field of human rights had an important role to play, at the request of States. Criteria could be developed that could be applied by needs assessment missions dispatched to identify areas where assistance focusing on the right to development and on economic, social and cultural rights might be needed. Training programmes at the national and local levels could be designed to raise awareness of the interdependent nature of human rights and social and economic development activities. Such programmes could be aimed at policy-makers, parliamentarians and others whose decisions affected human rights.

34. In conclusion, she said that the issue of discrimination, racism and xenophobia was dealt with under subprogramme 5, legislation and prevention of discrimination and research and standard setting. The change in the title of that programme by no means implied a change of emphasis, particularly now that

there was a new Special Rapporteur on racial discrimination who monitored the situation in different parts of the world.

35. Mrs. GOICOCHEA (Cuba) said that her delegation was not satisfied with the reply given by the representative of the Centre for Human Rights. The summing up of the Vienna Declaration and Programme of Action had been extremely selective. Revising subprogrammes in order to adapt them to the Centre's new secretariat structures was a violation of existing procedures which should be taken up by the Controller. The Committee was, in fact, faced with a situation in which, through a budgetary programme document, the Secretariat was trying to proceed with a decision before Member States had had an opportunity to express their views. In the context of the medium-term plan, many delegations could not accept a link between the subprogramme and secretariat structures. The programme should therefore be referred to the Third Committee for consideration, after which the Fifth Committee would be in a position to take action on the proposed revisions.

36. Mr. ELZIMAITY (Egypt) said that, given the importance of the statement made by the representative of the Centre for Human Rights, copies should be made available to the members of the Committee.

37. The CHAIRMAN said that he would request the Secretariat to proceed accordingly.

38. Mr. CHU Guangyou (China) said that the proposed revision to programme 35 did not reflect the spirit and essence of the Vienna Declaration. It was selective and arbitrary and failed to address the questions of concern to developing countries. He supported the suggestions made by the delegations of Cameroon, Cuba, India and the Islamic Republic of Iran, in particular the Indian delegation's proposal that a subprogramme on the right to development should be included.

39. The CHAIRMAN suggested that the issues just raised could be discussed during informal consultations.

40. Mrs. GOICOCHEA (Cuba) agreed, but said that she wished nevertheless to request a formal meeting of the Committee to receive a reply from the Secretariat as to the reasons for effecting programme revisions to suit new secretariat structures without a decision by the General Assembly. In the view of her delegation, the matter should first be considered by the Third Committee; only then could the Fifth Committee consider it.

41. Mr. BERTUCCI (Director, Division of Public Administration and Development Management), commenting on programme 21, public administration and finance, said that, pursuant to General Assembly resolution 48/228 A, the Secretariat had reformulated the activities under sections 9 and 10 of the proposed programme budget for the biennium 1994-1995. He hoped that the new narrative, which was contained in document A/C.5/49/30, would be acceptable to the Committee.

42. Mrs. GOICOCHEA (Cuba) said that the recommendations of the Eleventh Meeting of Experts on the United Nations Programme in Public Administration and Finance (E/1994/56) should be considered by the Second Committee so that the Fifth Committee could take action on them during its consideration of the programme budget for the biennium 1996-1997.

43. Mr. KINNIBURGH (Office of the Under-Secretary-General for Economic and Social Information and Policy Analysis) said that, in accordance with General Assembly resolution 48/168, the Department of Economic and Social Information and Policy Analysis, in collaboration with the United Nations Conference on Trade and Development (UNCTAD), had continued to monitor the effects of economic coercive measures against Member States, although that monitoring had not been fully reflected in the proposed revisions to the medium-term plan.

44. Mrs. GOICOCHEA (Cuba) said that the revised programme budget did not reflect the fact that the Secretariat was monitoring such measures. The Secretariat should submit a specific proposal in informal consultations for the inclusion of those monitoring activities in the revised programme 12.

AGENDA ITEM 105: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/49/16 (Parts I and II); A/49/34, A/49/98 and Corr.1 and Add.1 and 2, A/49/310, A/49/336, A/49/418, A/49/423, A/49/449, A/49/471 and Corr.1, A/49/560, A/49/564, A/49/632 and A/49/633; A/C.5/49/1 and A/C.5/49/28 and Add.1)

45. Mr. PASCHKE (Under-Secretary-General for Internal Oversight Services) said that a note of realism was needed to tone down the exaggerated expectations about the ability of the new Office of Internal Oversight Services to bring about dramatic changes overnight. As a new appointee, he first needed to gain insight into the intricacies of the four units which came within his purview before he could fulfil the oversight function that was expected of him. He brought to the Office relevant experience from previous service in the German Ministry of Foreign Affairs, including four years as Director-General for Personnel and Management, during which he had had to address the managerial aspects of the political changes which were taking place in Eastern Europe and elsewhere, while grappling with the revolution in information technology and severe budget constraints. The art of achieving more with less was thus not totally alien to him.

46. As for his basic philosophy as a manager, experience had taught him that results were better achieved through dialogue and quiet reasoning in an atmosphere of mutual trust. He saw himself as an adviser to the Secretary-General and senior officials and as a counsel to managers and to the Organization as a whole. His objectives were to assist the Secretary-General in changing the management culture of the United Nations, to promote the concept of value for money, and to apply the principles of responsibility and accountability in the Organization's everyday practice. His Office would cooperate closely with the Department of Administration and Management in the management of the reform projects currently under way.

/...

47. With regard to audits, he proposed to strengthen cooperation between his Office, the Board of Auditors and the Joint Inspection Unit. A central objective would be to ensure compliance by the Secretariat with General Assembly resolutions and other intergovernmental decisions and established rules and regulations. He planned to increase the use of management audits, which were concerned not only with issues of control but also with determining the best and least costly ways of achieving the mandates and goals of the Organization. Referring to the installation of automatic gates at Headquarters, which had involved a significant disbursement of funds, he said he would shortly be receiving an audit report on the decision not to activate the system.

48. One of his priorities as a manager would be to ensure the implementation of his Office's recommendations by departments and offices. His Office should not, however, be merely critical of management performance, but should offer technical and managerial advice and assistance to managers in implementing its recommendations, particularly where managers lacked the required expertise and requested its help.

49. With respect to the monitoring functions of his Office, the primary responsibility for programme implementation lay with programme managers. The role of the Office was to ensure that adequate systems for monitoring were in place in each department and office. The merger of the performance monitoring and self-evaluation systems proposed in document A/49/99 would be one of the means by which he hoped to encourage greater concern by managers throughout the Organization about the results of their activities and the problems of reaching and assisting the end-users of those activities. As for the biennial report on the programme performance of the Organization (A/49/135), he noted that CPC had expressed its satisfaction with the improvements made in the reporting and he hoped that, after further improvements, the report would become a focus of constructive dialogue between the Secretariat and Member States on the overall managerial performance of the Organization.

50. Ad hoc inspections of programmes and organizational units would be conducted whenever and wherever necessary. To date, five inspections had been conducted, covering the Economic and Social Commission for Western Asia, the Economic Commission for Africa, the Centre for Human Rights, the Economic Commission for Europe and the language training activities at Headquarters.

51. Turning to programme evaluation, he noted that the schedule of in-depth evaluations recommended by CPC emphasized peace-keeping operations. He believed that the emphasis was appropriate and he had no difficulty with the schedule set out for the Central Evaluation Unit. Reviews of implementation three years after CPC and the General Assembly had adopted decisions on in-depth evaluations would continue to be provided and his annual report would include information on the implementation of evaluation recommendations.

52. Referring to the recent establishment of a new unit with an investigative function, he said that it had been necessitated by the scale of the new peace-keeping operations and the attendant exposure of the Organization's assets to loss and waste.

/...

53. The Criminal Investigation Department of the London Metropolitan Police (Scotland Yard) was assisting the Office in endeavouring to recover nearly $4 million in cash which had been stolen from the United Nations Operation in Somalia (UNOSOM) a few months earlier. Unfortunately, the recommendation for changes in cash management policy that had been made prior to the theft had not been followed. The Office was keeping a close watch on UNOSOM, which still required large, regular infusions of cash. He would provide the Secretary-General with a detailed report on the matter when the investigation had been completed and would then discuss with him the transmission of all pertinent information to Member States. While the confidentiality of some of the information which would be contained in the report to the Secretary-General must be respected, he assured the Committee that Member States would be informed of the measures which had been taken with regard to those held responsible and the steps taken to avoid the recurrence of such thefts in the future.

54. As part of his Office's investigative function, procedures were in place to protect the confidentiality of information received. While information provided anonymously would be accepted, anonymous reporting would not be encouraged. The most important way for staff members to voice complaints and make suggestions must be through their immediate supervisors.

55. He would shortly be working on the medium-term plan for the Office and on programme budget proposals. Those management tools had been developed under the guidance of the Fifth Committee, CPC and ACABQ, and he would use them to the fullest extent possible in presenting his proposals pursuant to the request in General Assembly resolution 48/219 B for details on the manner in which the resolution was to be implemented.

56. Lastly, he was encouraged by those delegations which had indicated that they would give favourable consideration to measures to enhance and strengthen the Office of Internal Oversight Services.

57. Mr. CONNOR (Under-Secretary-General for Administration and Management) said that he had been gratified that the reactions of the Committee to the positions, actions and proposals of the Department of Administration and Management had been so supportive and positive. The basic features of the new transparent and effective system of accountability and responsibility would be in place by 1 January 1995. Some elements were already in place and the Department was fine-tuning them and developing others, and would integrate all the elements into a coherent, interactive system. The programme budget outline for the biennium 1996-1997 would show clearer lines of responsibility for programme implementation, and the activities to be carried out in the course of programme implementation would be more clearly defined. He emphasized that the effectiveness of the system would depend to a great extent on the clarity of the Organization's objectives, regulations and rules. A clear mission statement was needed, and legislative instruments should be simplified and clarified. That would enhance the capacity of managers and allow them to utilize their resources, particularly their human and financial resources, flexibly.

/...

58. Referring to questions raised in the Committee regarding procurement procedures, he said that an expert group had already started work on a review of those procedures and had visited the United Nations Protection Force (UNPROFOR) and the United Nations Assistance Mission for Rwanda (UNAMIR) to study procurement in the field for peace-keeping and other operations. The group was expected to make specific recommendations regarding policies, procedures, regulations and rules that would lead to the establishment of an efficient and responsive procurement process and to comment on the capability of staff.

59. A significant element in the development of the system of accountability and responsibility would be the promotion of a new management culture for the United Nations in which managers with the appropriate authority and flexibility would be able to take the initiative and introduce innovations. They would then have an incentive to achieve economies in the implementation of their work programmes and utilize the resources thus released in other priority areas for which they had programme responsibility.

60. With regard to the question raised by the representative of Madagascar concerning the United Nations Access Control System (UNACS), he emphasized that the decision not to implement the system had been the result of careful consideration of the associated variables and a determination that the system, as designed, would not meet the security concerns of the United Nations. It had been deemed preferable to cut the Organization's losses. The request for an inspection and audit of the system had been made in order to determine exactly what had gone wrong, what, if anything, could be salvaged, and how that such losses could be prevented in the future. The situation represented a failure of the system to pinpoint responsibility.

61. He had been gratified that, by and large, delegations had felt that the restructuring of the Secretariat was going in the right direction. The reform of the Secretariat was ongoing, and the new structure provided a more effective framework for meeting the objectives and priorities of Member States. The Department of Administration and Management recognized that much remained to be done and, with the guidance of Member States, it would focus on making the structure even more effective and efficient.

62. In the political and humanitarian sector, the focus of restructuring had been to consolidate, streamline and enhance capacity. The decision of the Secretary-General to transfer the Electoral Assistance Division to the Department of Peace-keeping Operations had been based on the operational decision to focus responsibility and accountability for consolidating field mission activities in one department. No other purpose had been intended. The monitoring of elections had increasingly become a component of peace-keeping or other field missions directed and/or supported by the Department of Peace-keeping Operations. Furthermore, the recruitment, deployment and administration of electoral observers, as well as their logistical and technical support, were already being carried out by that Department.

63. In response to a question put by the representative of Kenya as to whether consideration was being given to subsidizing the expenses of developing

/...

countries to enable them to second officers to the United Nations, he said that the matter was under review. It was a very serious issue in terms of the determination by Member States of priorities and, most important, resource allocation. In resolution 48/226 C, the Secretary-General had been requested to submit a report on the various aspects related to the secondment to the Department of Peace-keeping Operations at no cost to the United Nations, of military and civilian personnel by a number of Member States; that report would address the question of providing reimbursement of expenses to those personnel. In the opinion of the Department of Administration and Management, the Department of Peace-keeping Operations and other Headquarters departments, over 600 posts were necessary in order to provide proper back-stopping for peace-keeping operations, yet only slightly over 400 posts had been provided under the support account for peace-keeping operations. Half of the short-fall was provided by personnel "loaned" by Governments; the Organization could not manage without them, but, at the current time, simply could not pay for them.

64. Turning to the restructuring of the economic and social sectors of the Secretariat, he pointed out that, since some of the Organization's structures were organized along functional lines, others along thematic lines and still others along geographical lines, it was extremely difficult to establish a clear-cut distribution of responsibilities. In addition to improving the division of labour in the economic and social sectors, the promotion of greater synergy between functions and activities was a major objective of the restructuring initiative. Measures were being taken to establish or reinforce internal coordination mechanisms. For example, the Administrator of the United Nations Development Programme (UNDP) had been asked to assist the Secretary-General in ensuring policy coherence and enhancing coordination.

65. With regard to the budgetary aspects of restructuring in the economic and social sectors, he said that, while it was difficult to quantify the specific economies achieved, he could confirm that the restructuring and streamlining exercise had allowed the Secretary-General to provide for major new mandated activities, mainly within existing resources, including Secretariat capacity for the follow-up to the United Nations Conference on Environment and Development and for preparations for major forthcoming conferences. The secretariat of the Commission on Sustainable Development had been institutionalized as a Division within the Department of Policy Coordination and Sustainable Development; after only two years, he could report that the work of that Division was on track and proceeding apace.

66. It was fully expected that progress in the elaboration of an agenda for development would make a major contribution towards the unity of purpose needed to guide the work of the Organization in the economic and social sectors. Consideration of the Secretary-General's proposals relating to further work on an action-oriented, comprehensive agenda for development should provide clear mandates and policy guidance from Member States. The recommendations of the United Nations Conference on Environment and Development were still being translated into programmes, which would continue to have implications for a number of United Nations entities, particularly for the strengthening of the United Nations presence in Nairobi. The identification of further activities

that would benefit from being located in Vienna was under active consideration by the Secretariat.

67. In reply to the request by the representative of Austria for information regarding the availability and cost of office space at the main duty stations and projections concerning future developments, he said that facilities management was a priority subprogramme of the medium-term plan. The report of the Secretary-General on facilities management (A/45/796 and Add.1) was being updated to reflect the current situation of the Organization in that regard.

68. In conclusion, he said that if intergovernmental bodies devoted themselves to the provision of mandates and overall policy guidance and the Secretariat concentrated on the execution of legislative mandates and the management of programme implementation, it should be possible to meet the challenge of improving the efficiency of the administrative and financial functioning of the United Nations.

69. Mr. Barimani (Islamic Republic of Iran), Vice-Chairman, took the Chair.

70. Mrs. GOICOCHEA (Cuba), referring to the statement by the Under-Secretary-General for Internal Oversight Services, asked what proposals would be submitted pursuant to paragraph 11 of General Assembly resolution 48/218 B.

71. With regard to the statement by the Under-Secretary-General for Administration and Management, she said she would appreciate additional information - which could be provided at an informal meeting - concerning changes introduced by the Secretariat to enhance the efficiency of the services provided to Member States and the impact of those changes on the finances of the United Nations. She had taken note of his statement that the transfer of the Electoral Assistance Division to the Department of Peace-keeping Operations had been based on operational requirements, and had not been the result of a policy decision. It was, however, regrettable that the Secretary-General had not taken into account the serious reservations of Member States regarding that transfer. Her delegation would have further comments to make on the matter in informal consultations.

72. The decision by the Secretary-General to allocate certain coordination functions to the Administrator of UNDP appeared to have been taken without regard to the spirit of General Assembly resolution 47/212. The Department for Policy Coordination and Sustainable Development had an important role to play with respect to coordination. That matter also should be discussed thoroughly in informal consultations.

73. In conclusion, she said that the transfer of the Electoral Assistance Division, the shift of coordination functions to UNDP and possible problems relating to structural changes in the garage administration should be studied by the Office for Internal Oversight Services.

74. The CHAIRMAN said that the additional information requested by the representative of Cuba would be supplied in informal consultations.

The meeting rose at 1.10 p.m.

UNITED NATIONS
General Assembly
FORTY-NINTH SESSION
Official Records

FIFTH COMMITTEE
29th meeting
held on
Monday, 5 December 1994
at 3 p.m.
New York

SUMMARY RECORD OF THE 29th MEETING

Chairman:	Mr. TEIRLINCK	(Belgium)
later:	Ms. PEÑA (Vice-Chairperson)	(Mexico)
later:	Mr. TEIRLINCK (Chairman)	(Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 132: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(b) RELOCATION OF BELARUS AND UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (C) OF GENERAL ASSEMBLY RESOLUTION 43/232 (continued)

AGENDA ITEM 116: FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCES IN THE MIDDLE EAST

(a) UNITED NATIONS DISENGAGEMENT OBSERVER FORCE

AGENDA ITEM 122: FINANCING OF THE UNITED NATIONS PROTECTION FORCE

AGENDA ITEM 123: FINANCING OF THE UNITED NATIONS OPERATION IN SOMALIA II

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of the publication* to the Chief of the Official Records Editing Section, room DC2-794, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/49/SR.29
20 December 1994

ORIGINAL: ENGLISH

The meeting was called to order at 3.20 p.m.

AGENDA ITEM 132: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued) (A/48/421 and Add.1, 622, 912 and 945 and Corr.1); A/49/557, 664 and 717)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(b) RELOCATION OF BELARUS AND UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (C) OF GENERAL ASSEMBLY RESOLUTION 43/232 (continued)

1. Mr. PIBULSONGGRAM (Thailand) said that the Organization had overstretched itself in its peace-keeping activities, and that the resulting gap between expectations and achievements was undermining its credibility. The difficulty in financing peace-keeping operations was a direct result of the recent dramatic growth in their number and scope, which also hampered proper oversight by the General Assembly and prompt and effective response by Member States. The Advisory Committee on Administrative and Budgetary Questions (ACABQ) had rightly observed in its report (A/49/664, para. 6) that the development of a rational system for the budgeting, financing and administration of peace-keeping operations was absolutely crucial, not only to their sound management but to management throughout the United Nations. Several of the proposals in that regard made by the Secretary-General in his reports (A/48/945 and Corr.1 and A/49/557) were promising.

2. Thailand agreed that a methodical approach to mission planning was necessary, and therefore welcomed the Secretary-General's work on a survey mission handbook and a standardized framework for cost estimates.

3. As to financial authority, however, it believed with ACABQ that the proposed five-fold increase of the Secretary-General's commitment authority, to $50 million, was far in excess of what was actually required. Moreover, there was no guarantee that assessing Member States for one third of the estimates for start-up costs, would help solve the present difficulties.

4. The fact that the budget cycles of the 15 ongoing peace-keeping operations financed from special accounts covered different periods of time had resulted in the appearance of budgets throughout the year, causing the delay in payment of assessed contributions by Member States. His delegation therefore supported the idea of annual budgets, as proposed by the Secretary-General (A/48/945, paras. 17-22), although technical difficulties could still arise due to national requirements for separate authorizations for each assessment.

5. Thailand was very concerned about the failure to fully fund the Peace-keeping Reserve Fund or to use the Fund for the purpose for which it had been established. While the Secretary-General's proposal to raise the level of the Fund to $800 million was a good one (A/48/945, para. 41), it was perhaps unrealistic since that would require additional assessment on Member States.

/...

6. On procurement, he concurred with ACABQ that the Secretary-General's proposal to increase the limits established for the local committees on contracts in the field missions and to expand authorized local procurement areas to more surrounding countries with versatile and competitive markets (A/48/945, para. 81) should be put into effect in keeping with the related recommendations of the Board of Auditors (A/49/5).

7. As a troop-contributing country, Thailand was well aware of the shortcomings of current procedures for reimbursement for contingent-owned equipment, and agreed with the Secretary-General that the process should be simplified by developing standard tables of depreciation rates (A/48/945, para. 83).

8. The Secretary-General's proposals, while helpful, did not, however, address the heart of the matter: the failure by a number of Member States to pay their assessments in full and on time; a way must be found to encourage them to do so. It was perhaps also time for a serious discussion of what the Organization's peace-keeping role should be. Thailand believed it would be more cost-effective in the long run to concentrate on developing preventive diplomacy and peacemaking, in accordance with Chapter VI of the Charter.

9. Mr. RAMIREZ (Mexico) said that the General Assembly must ensure that all United Nations activities, including those dealing with economic and social development, received a fair share of attention and funding. With regard to peace-keeping operations in particular, Member States had a collective responsibility for their financing, although it was one they shared in different degrees; and any financing decisions taken by the Committee must be compatible with measures adopted by the Security Council.

10. Mexico generally agreed with the views and recommendations of the Advisory Committee in its report A/49/664, but felt that the Secretary-General's proposals on financial authority, in his reports A/48/945 and A/49/557, needed careful scrutiny. It could support neither the proposed 500 per cent increase in the Secretary-General's commitment authority, nor the proposal to assess Member States for one third of the estimated cost of peace-keeping operations.

11. Mexico supported the Secretary-General's recommendation (A/48/945, para. 18) that the budgets of ongoing peace-keeping operations should be approved annually by the General Assembly, with assessment of Member States subject to the renewal of the mandate of each operation by the Security Council; the budgets for peace-keeping operations with more uncertain requirements could in each case be approved semi-annually.

12. Raising the level of the Peace-keeping Reserve Fund (A/48/945, para. 41) would not alleviate the Organization's cash flow problem: the solution was for all States to pay their assessed contributions in full and on time. With regard to peace-keeping personnel, the principles of equitable geographical representation and of equal pay and benefits must apply.

13. The proper functioning of oversight machinery was crucial to building confidence in the United Nations. Accordingly, procurement policies and

/...

procedures, in the case of contractual services as well, must be improved and made more transparent.

14. Mr. ELZIMAITY (Egypt), associating his delegation with the statement of Algeria on behalf of the Group of 77 and China, observed that the failure of a number of Member States to pay their assessments in full and on time was the root cause of the financing problem.

15. If a healthy relationship was to be established between Member States and the Secretariat, the Field Operations Division should report regularly and fully on all issues of concern; Member States were still not adequately informed about its operations. It was time for a comprehensive inspection of its activities by the Office of Internal Oversight Services.

16. Egypt shared the concern expressed by the Advisory Committee that at any given time some peace-keeping operations were operating without legal financial authority because of delays in the preparation of the cost estimates (A/49/664, para. 27), and agreed that the administrative burden of financial record-keeping and reporting must be alleviated.

17. It also endorsed the ACABQ recommendation (in para. 72 of its report) that the use of international contractual personnel should not be extended beyond the United Nations Protection Force (UNPROFOR) and that further recruitment of such personnel should be suspended pending a thorough investigation by the Office of Internal Oversight Services. Egypt was concerned over the irregular recruitment procedure and contractual arrangements for international contractual personnel; their use could lead to the creation of a parallel system of recruitment outside established United Nations rules and regulations, and one which was not subject to geographical representation or the principle of equal pay for equal work. A detailed report must be submitted on all aspects of their recruitment, and their degree of responsibility and accountability.

18. Member States must be treated equally in the determination of death and disability benefits for peace-keepers. Also, there must be full participation of Member States from the various geographical regions in all phases of the proposed plan to standardize the system for reimbursement for contingent-owned equipment. New arrangements should not be implemented retroactively, and troop-contributing countries should continue to be reimbursed in the meantime.

19. Ms. ARAGON (Philippines), endorsing the statement of Algeria on behalf of the Group of 77 and China, said that while the Philippines remained committed to the maintenance of peace and stability in the world and would continue to participate in peace-keeping operations, it hoped that the same level of resources could be accorded to the economic, social and development sectors.

20. The Philippines shared the concerns of other delegations with regard to numerous cases of irregularity and mismanagement in peace-keeping operations. Funds for peace-keeping must be used cost-effectively, with the highest degree of accountability and transparency, particularly in view of the Secretary-General's proposal to decentralize some aspects of administrative and financial authority. Her delegation therefore welcomed his efforts to strengthen internal

audit functions in peace-keeping operations, but shared the concerns expressed by the Advisory Committee (para. 56 of its report) regarding the use of resident auditors and believed that the Board of Auditors should continue its coverage of peace-keeping operations and report separately on large operations like UNPROFOR.

21. While noting that the Organization's capacity to plan and manage peace-keeping operations would need to be enhanced, she said that clear delineation should be maintained between peace-keeping operations and humanitarian assistance efforts and other operational activities. The Secretary-General's proposal regarding a fivefold increase in the level of commitment authority required careful consideration. Moreover, her delegation would have difficulty in accepting the proposal that Member States should be assessed one third of the preliminary budget estimates.

22. While there might be a need to modify the format of budget documents, she stressed the need to maintain the quality and transparency of the information provided. Early submission of performance reports was clearly desirable in that regard. She supported the Advisory Committee's recommendation that the Secretariat should furnish Member States with updated information on existing budgetary surpluses of various peace-keeping operations.

23. Mr. HENZE (Germany), speaking on behalf of the European Union and Austria, said that development of a rational system for the budgeting, financing and administration of peace-keeping operations was absolutely crucial. The current cash-flow problems caused by late payment of contributions not only placed an unfair burden on troop-contributing countries, particularly those which, like the member States of the European Union and Austria, had a record of prompt and full payment, but was also affecting the readiness of States to provide troops; without troops or money, there could be no peace-keeping operation.

24. The European Union and Austria felt strongly that, in principle, the commitment authority of the Secretary-General should be accompanied by assessment of Member States - the latter should, of course, pay their contributions promptly and in full.

25. Given the scope of current operations, the existing regulations were not adequate to meet the requirements of start-up financing. As long as the Peace-keeping Reserve Fund had not been fully funded, it would be futile to discuss an increase in its level. In the absence of adequately funded reserves, the fundamental requirement was to provide an increased but flexible level both of commitment authority and assessment, while ensuring an acceptable degree of budgetary review.

26. As a first step, the European Union and Austria were willing to increase the commitment authority granted to the Secretary-General, as proposed in document A/49/557, so as to enable him to enter into the necessary obligations during the period when a full budget was being prepared. That period should be kept as short as possible.

/...

27. The next important element of the reform process was the budget cycle. The European Union and Austria agreed with the idea that a separate budget for each peace-keeping operation should be maintained, and welcomed the idea that the budgetary process should cease to be linked to the mandate period set by the Security Council; however, there could be no assessment without a Security Council mandate. They endorsed the proposals made by the Secretary-General and favourably commented upon by ACABQ.

28. The European Union and Austria agreed with the ACABQ proposal that the budget year for peace-keeping operations be changed to the period 1 July-30 June, and endorsed the Secretary-General's proposals on the improvement of the budget format as summarized in the ACABQ report (A/49/664).

29. If those reforms were to be implemented successfully, considerable effort would be required, and working practices would have to be improved and streamlined. Decisions on a budget required timely and adequate performance reporting; financial performance data should be made available to Member States when they were considering budget proposals. The Secretary-General's proposals on the development of a standard cost manual, based on past performance data, should help to speed up and rationalize the budget process. The European Union and Austria welcomed the development of standardized rates for reimbursement of contingent-owned equipment.

30. One of the major issues in management was that of procurement. The principle of international competitive bidding of contracts should be strictly adhered to in practice, and the United Nations procurement system should be further developed so as to ensure impartiality, transparency, openness and an emphasis on competition and cost-effectiveness.

31. Concerning death and disability benefits, the European Union and Austria agreed with ACABQ that actual compensation to the beneficiary should not be lower than reimbursement by the United Nations, and regretted that reimbursements to date had been very slow.

32. Regarding the deployment of international contractual personnel in UNPROFOR, the European Union and Austria could not endorse the Advisory Committee's recommendation (A/49/664, para. 72), that further recruitment of international contractual personnel should be suspended; a suspension could have adverse effects on the operation, and make it more difficult to ensure that a maximum of troops performed core peace-keeping tasks. More attention should be given to appointments of limited duration as a means of fulfilling urgent field requirements.

33. Mr. FULCI (Italy) said his delegation fully endorsed the statement made by the representative of Germany on behalf of the European Union.

34. He informed the Committee that, following a survey of several countries, it had been decided that the military air base at Brindisi, Italy, would be particularly suitable as a storage and repair facility for use by the United Nations in the support of peace-keeping, humanitarian and related operations. A Memorandum of Understanding had been signed recently in Rome, whereby the

/...

Italian Government would make the air base available to the Organization at no cost, and would give the Organization and its personnel very broad fiscal exemptions.

35. Mr. ALOM (Bangladesh) said that Bangladesh strongly supported the Organization's expanded role in the maintenance of peace and security, and was currently the fourth largest contributor to United Nations peace-keeping operations.

36. His delegation took note of the Secretary-General's proposals for the development of a rational system for the budgeting, financing and administration of peace-keeping operations, and generally endorsed the recommendations of the Advisory Committee.

37. Given the increasingly complex management needs of peace-keeping operations, a systematically structured approach to planning should be adopted. The Advisory Committee's suggestions on how to secure competent personnel from a wide variety of sources both within and outside the United Nations system also deserved consideration.

38. While recognizing that peace-keeping and humanitarian assistance programmes must be closely coordinated, he stressed the need to maintain the separate identity of each. Moreover, resources for peace-keeping and for humanitarian assistance should not be at the expense of development activities.

39. His delegation agreed that the financing of peace-keeping operations was the collective responsibility of all Member States, and expressed serious concern over the continued delays in the payment of assessments by some States. Such delays had a particularly adverse impact on troop-contributing countries, which had to wait to be reimbursed. In the view of his delegation the least developed countries should be exempt from having to pay additional contributions.

40. While recognizing the cash-flow difficulties faced by the Organization, he said that increasing the level of the Reserve Fund to $800 million, was unlikely to help ease the financial crisis. Matters would improve only when all States paid their outstanding assessments. In future, it might be useful to suggest that all Member States pay their contributions in full within 30 days of assessment and that individual Member States consider establishing their own reserves for peace-keeping assessments. His delegation concurred with the views expressed by ACABQ on such issues as the present limit of commitment authority, introduction of an extended budget cycle, and half-yearly review of budget estimates. It also felt that there was a need to maintain a revolving reserve of equipment for peace-keeping operations.

41. Ms. PEÑA (Mexico), Vice-Chairman, took the Chair.

42. Mr. YOO (Republic of Korea) said that the Secretary-General's proposal that Member States be assessed for one third of preliminary estimates provided to the Security Council deserved consideration but that its legal implications should be examined. His delegation endorsed the ACABQ recommendation regarding the

adoption of a 12-month financial period for peace-keeping operations (while noting that assessments should be made on Member States only for the mandate period), as well as the recommendation that the budget period should be from 1 July to 30 June.

43. Simply raising the level of the Peace-keeping Reserve Fund without addressing the problem of non-payment of assessments by Member States would not solve the cash-flow shortage problem; a more rational approach would be to replenish the existing Fund with the originally targeted amount of $150 million.

44. His delegation supported the Secretary-General's efforts to strengthen the internal auditing of peace-keeping operations, as well as the concept of a start-up team. However, it called for further examination of the procedures governing the international contractual personnel system because of the ambiguity and lack of clear guidelines in the current arrangement.

45. The issue of death and disability benefits was of great importance, and his delegation was interested in ACABQ's suggestion for a standard scale of reimbursement. It also supported the introduction of equipment and reimbursement rate standards for contingent-owned equipment.

46. Mr. IHEME (Nigeria) said that although his delegation would have no difficulty in accepting an increase in the commitment authority for peace-keeping operations, it had reservations concerning assessment of Member States at one third or any other fraction of the preliminary estimates, as that appeared to encroach upon the authority of the General Assembly. Along the same lines, it called for further discussion of the issue of consolidating the budgeting process.

47. Merely legislating an increase in the Reserve Fund would not solve the Organization's financial problem; the only solution was for Member States to discharge their financial obligations promptly and in full.

48. The Secretary-General should be granted the requisite leeway to carry out sound planning for the personnel as well as the logistics of peace-keeping operations. However, since no two operations were identical, international contractual personnel who had served in one operation should not automatically be considered for other operations. Given the limited geographical representation in that category of personnel, he called for a prompt investigation by the Office of Internal Oversight Services into current recruitment.

49. Compensation for death and disability benefits for peace-keeping personnel should apply equally to all participants regardless of the level to be agreed on, and whatever system of reimbursement was agreed to for contingent-owned equipment must facilitate prompt and fair reimbursement. Lastly, the Nigerian delegation again called upon all Member States to commit themselves to paying their assessed contributions for peace-keeping operations on time.

/...

50. Mr. ADNAN (Malaysia) agreed with the Advisory Committee that the increase in United Nations peace-keeping operations had affected the Secretariat's capacity to manage and the General Assembly's capacity to oversee the work of the United Nations; that was especially critical in the light of the Organization's current financial crisis. Most of the proposals and problems relating to the financing of peace-keeping operations could be adequately addressed if Member States paid their assessed contributions to the United Nations in full, on time and without conditions.

51. His delegation agreed that increasing the level of the Peace-keeping Reserve Fund from $150 million to $800 million would merely add to the burden of those States which had regularly met their financial obligations to the Organization.

52. While recognizing the importance of speedy implementation of Security Council decisions for the start-up of new peace-keeping missions or the expansion of existing ones, his delegation considered that the proposed increase in the commitment authority which the Advisory Committee was authorized to grant to the Secretary-General was excessive. It was, however, prepared to consider the Advisory Committee's proposals regarding the setting of an upper limit each year on the commitment authority.

53. In view of the complications arising from the different budget cycles of peace-keeping operations, in terms of the burden placed on the General Assembly, the Fifth Committee, the Advisory Committee and the Secretariat and the payment by Member States of unexpected assessments, the proposal to introduce an extended budget cycle merited consideration. Member States would be in a position to report to their capitals the projected assessment for each operation for the 12-month period and would have ample lead time to effect payment. Death and disability benefits due to troop-contributing States should be based on the principle of equal compensation regardless of nationality, with the adoption of a formula that would preclude any difference in actual payments to beneficiaries. A flexible and non-discriminatory solution might be the payment of a fixed amount, which could be "topped up" by Governments wishing to do so.

54. His delegation welcomed the Advisory Committee's recommendations that the UNPROFOR pilot project for the recruitment of international contractual personnel should be suspended pending an independent investigation. Recruitment with due regard for the principle of equitable geographical representation, which had regrettably not been the case, would have resulted in cost-effectiveness and in savings to the Organization. Investigations should also be undertaken to ascertain the extent of international contractual personnel gaining "back-door" entry to the United Nations. He looked forward to the Secretariat's proposals for a fair and reasonable solution regarding reimbursement for contingent-owned equipment. He commended the Secretary-General's intentions in introducing mission start-up kits to allow new missions to become operational as quickly as possible, but concurred with the Advisory Committee's recommendation that a detailed report on the issue should be submitted.

55. Mr. BAIRAGI (Nepal) said that his delegation supported a systematic and methodical approach to mission planning. It called for the development of a more comprehensive planning process for peace-keeping missions, which would include the use of survey missions, clear-cut description and delegation of financial and administrative authority, and better coordination among different United Nations agencies. The establishment of a mission planning service in the Department of Peace-keeping Operations would improve the planning process and facilitate the exchange of information among troop-contributing countries.

56. There was also a need for increased coordination between peace-keeping and humanitarian assistance activities, and a clear distinction between their respective functions. His delegation supported the idea of annual budgets for peace-keeping, and welcomed efforts to improve the budget format and planning process.

57. His delegation stressed the importance of prompt and full payment by Member States of assessed contributions for peace-keeping operations, as well as the need to control expenses and ensure rational utilization of resources. It also called for an investigation by the Office of Internal Oversight Services into the recruitment of international contractual personnel. The Secretariat needed to follow standardized and transparent recruitment criteria and to ensure the broadest possible geographical representation.

58. Lastly, Nepal was concerned at the lack of specific recommendations concerning death and disability benefits, and called for a review of the present system of payment and application of a uniform standard of compensation for peace-keepers.

59. Mr. JU Kuilin (China) said that economy should be the guiding principle when planning peace-keeping operations, and that such operations should be preceded by surveys. While on-the-spot or pre-start-up surveys would contribute to mission planning, the primary emphasis should continue to be on full use of existing mechanisms, such as survey missions and technical teams. In that regard, the early compilation of a survey mission handbook would assist the planning process.

60. In view of the growing complexity of peace-keeping operations, current budgeting procedures were wholly inadequate. Adjustment of the budget cycle was acceptable so long as a differentiated approach was ensured.

61. Current cash-flow difficulties were due to the failure of Member States to pay their assessed contributions in full and on time. Raising the level of the Reserve Fund would not solve the problem; it would merely increase the burden on those Member States that had paid their assessed contributions, and was therefore unacceptable. Moreover, assessing Member States one third of the total estimates presented in the financial implications provided to the Security Council would not necessarily alleviate the financial difficulties.

62. He expressed the hope that the Secretary-General would submit to the General Assembly a report clarifying all aspects of procurement procedures; in

turn, the General Assembly should systematically review current procurement practices and draw up a comprehensive set of guidelines on the matter.

63. Death and disability benefits for peace-keeping personnel should also be based on the principle of equity and fairness.

64. Sound financial management of the property and assets of peace-keeping operations required full recording and registering of all transactions involving such property and the adoption of reasonable depreciation rate and compensation standards. One way of effecting economies was to make greater use of government-seconded personnel, volunteers and voluntarily-contributed equipment.

65. Mr. SOOMRO (Pakistan) said that unless the vital issue of late payment of assessed contributions by Member States was effectively addressed, attempts to improve the administrative aspects of peace-keeping operations would have little effect. Raising the level of those contributions would merely increase the burden on countries which contributed regularly to the United Nations and the peace-keeping budget. All Member States, particularly those with greater resources, must be urged to fulfil their financial obligations promptly, failing which troop-contributing countries might be reluctant to provide human resources for future operations.

66. The Advisory Committee had rightly pointed out that one of the most important United Nations policy principles was that of equal treatment of all States. Clear guidelines should therefore be drawn up to establish uniform privileges, benefits and monetary compensation for the services rendered by all peace-keeping personnel; that applied in particular to death and disability benefits for personnel serving under identical conditions in foreign lands. Compensation should be based not on national practices and legislation but on the principle of equitable treatment through equal and maximum benefits. Equal treatment was not merely a moral obligation, but would also ensure that military contingents continued to act as a unified force. The possibility of introducing a "hazard allowance" for contingents exposed to difficult and dangerous conditions in the field might also be considered.

67. Mr. KUZNETSOV (Russian Federation) said that his statement would focus on proposals of special interest contained in the reports of the Secretary-General and comments thereon by the Advisory Committee; other matters would be addressed during the informal consultations. Careful planning was one of the most important guarantees of the successful organization and execution of a mission. Sending survey missions was therefore a sound approach. Effective planning would directly assist in producing more precise budget estimates, determining real staffing requirements, developing a more rational logistics and procurement structure and establishing closer interaction with other United Nations organizations. The Advisory Committee's observations in paragraph 10 of its report (A/49/664) were well founded. His delegation agreed with the idea of constituting a reserve stock of mission start-up kits but considered that no decision should be taken until the financial and administrative implications had been considered; the information should be provided in the form of feasibility, cost-effectiveness and efficiency studies. Vigorous efforts should be made to conclude host country agreements before a mission was deployed. The idea of

concluding "good-neighbour" agreements with countries neighbouring a mission area was commendable, as was the proposal to establish start-up team rosters, on the understanding that the personnel on the rosters would be staff members and that there would be no new post requirements for that purpose.

68. Regarding financial arrangements for mission deployment, he had no serious objections to the Secretary-General's proposal that Member States be assessed for one third of the preliminary estimates, after the approval or extension of a mandate by the Security Council, to meet start-up costs, but was of the view that it would not solve the problem of immediate cash availability, as the money would not be available until 30 to 60 days after the Security Council's decision. His delegation fully agreed with the Advisory Committee's comments on the proposals to increase the level of the Peace-keeping Reserve Fund to $800 million and the limit of the commitment authority granted to the Advisory Committee to $50 million. A decision to increase the amount of the Reserve Fund would hardly solve the problem of cash inflow to the Fund. The immediate task should be to ensure compliance with General Assembly resolution 47/217.

69. His delegation concurred with the Advisory Committee's conclusions and recommendations concerning the recruitment of personnel for peace-keeping operations. The practice of secondment should be developed more actively. As had been seen, international contractual personnel fulfilled not only technical but senior management functions, which raised questions about the psychological atmosphere in the mission and who actually directed its work. His delegation was also concerned about the use of that recruitment procedure as a means of providing a "back-door" entry into the United Nations, and about the absence of clear-cut criteria, rules and principles for such recruitment. It therefore supported the recommendation in paragraph 72 of the Advisory Committee's report (A/49/664) that such recruitment be suspended, pending a thorough and independent review by the Office of Internal Oversight Services.

70. He drew attention to the lack of detailed information on the methodology for the determination of mission subsistence allowance rates, and shared the Advisory Committee's view on the need to consider the gradual reduction of some elements of remuneration as the length of service progressed. He looked forward to the contribution of the International Civil Service Commission (ICSC) to a thorough examination of all factors involved in staff remuneration and actual expenses. With regard to death and disability benefits for military personnel, he saw no point in changing the existing practice of reimbursing Governments' expenses in accordance with national legislation.

71. His delegation fully shared the Secretary-General's view that the current procedures for reimbursement for contingent-owned equipment were cumbersome, time-consuming and expensive, and supported the proposals to change the procedures and set comprehensive standards for each category of equipment. Military experts might usefully be invited to participate in the process of developing new procedures. Other alternatives, such as a system of rental fees for different categories of equipment, including delivery to and from the designated area, maintenance, spare parts, insurance, etc., should not be excluded, as they would induce Member States to provide only new or reliable

equipment. Proposals for a new system of reimbursement should be submitted to the General Assembly for approval.

72. On the subject of the budget cycle and financial period for peace-keeping operations, his delegation was prepared to consider in a favourable light the introduction of a 12-month financial period with the approval of the budget once a year and assessments to Member States only after, and subject to, the renewal of the mandate by the Security Council in respect of certain operations in which budgetary and operational requirements were not subject to sharp fluctuations. With regard to other operations, it had no major objections to introducing on an individual basis a 12-month financial period subject to a review of their budgets twice a year and with assessment only after, and subject to, the renewal of the mandate by the Security Council. His delegation supported the new budget period and cycle proposed by the Advisory Committee, from 1 July to 30 June, but would welcome precise information about how the change would be effected.

73. Mr. Teirlinck (Belgium) resumed the Chair.

74. Mr. RIVA (Argentina) agreed with the Advisory Committee that it was essential to develop a rational system for the budgeting, financing and administration of peace-keeping operations. The action envisaged and that already taken by the Secretariat with regard to mission planning was entirely appropriate. In that connection, the early completion of the survey mission handbook would help to build confidence in the financial and logistical planning of missions.

75. His delegation was alarmed by the virtual lack of cash in the Peace-keeping Reserve Fund. If the Peace-keeping Reserve Fund could not fulfil the objectives for which it was established, alternative mechanisms must be proposed in order to ensure that the necessary resources, including resources to cover the start-up costs of new or expanded operations, were available. In that connection, the proposal by the Secretary-General to assess Member States for one third of the total estimates presented in the financial implications provided to the Security Council was interesting. However, the "preliminary estimate" on which the assessment was based should take into account the elements enumerated in the survey mission handbook. His delegation was also prepared to consider the suggestions formulated by the Advisory Committee in paragraph 25 (a), (b) and (c) of its report. It believed, however, that commitment authorities should be accompanied by corresponding assessments. Clearly, none of the proposals would be effective unless Member States met their financial obligations for peace-keeping operations on time and in full.

76. His delegation supported the idea that annual budgets should be drawn up for each peace-keeping operation; that would not only help to reduce the workload in preparing documentation but would also enable Member States to schedule payment of their contributions more effectively. That, in turn, would improve the cash flow of the United Nations. His delegation also supported the Advisory Committee's recommendation that the budget period for peace-keeping operations should be from 1 July to 30 June, with effect from 1 July 1996 (A/49/664, paras. 33 and 34), and agreed that the budgets of operations subject

/...

to fluctuation should be reviewed twice a year. In all cases, assessment should be subject to renewal of the mandate by the Security Council.

77. His delegation welcomed the efforts of the Secretary-General to strengthen internal audit functions in peace-keeping operations. While it was true that savings could be realized by extending the duration of duty of military contingents, his delegation supported a six-month rotation system. Where it was necessary for military personnel to remain for longer periods of time, the express consent of the troop-contributing States should be obtained. His delegation would comment further on the matter when the findings of the Secretariat study were released.

78. The problems relating to death and disability benefits could be resolved through a constructive and in-depth exchange of views, taking into account the principle of equal treatment of Member States. In conclusion, his Government intended to participate actively in formulating recommendations on general standards for each category of contingent-owned equipment. That initiative should be aimed at establishing a transparent and efficient mechanism for both Governments and the United Nations.

79. Ms. ALMAO (New Zealand), speaking also on behalf of Australia and Canada, said that the three delegations welcomed the constructive proposals put forward by both the Secretary-General and the Advisory Committee. Australia, Canada and New Zealand were represented in 10 of the 16 current peace-keeping operations; they contributed around 5 per cent of the total military personnel and almost 5 per cent of the budget for those operations. Concerning financial authority, the three delegations wished to reiterate their support for the proposal by the Secretary-General to assess up to one third of the estimated cost of operations in order to cover start up and expansion costs. They also supported the proposal to increase the commitment authority which the Advisory Committee was authorized to grant, provided that caution was exercised and that an effort was made to achieve cost-effectiveness. The alternative procedures proposed by the Advisory Committee did not fully address the fundamental problem of providing ready funding for they would merely perpetuate the problems of delayed case flow. It was essential that commitment authority be accompanied by assessments. The three delegations were willing to work with other delegations in an effort to remove the current structural impediments to financing start-up and expansion costs.

80. Australia, Canada and New Zealand fully supported the proposal by the Secretary-General to dissociate peace-keeping budgets from mandate periods and to annualize estimates on a July/June basis. Those measures, which would facilitate cash flow forecasting, should be implemented at the earliest possible date. The three delegations did not agree with the Advisory Committee that 1995 should be a transitional year, but rather believed that the new cycle should be introduced from 1 July 1995, at least in respect of those operations not subject to budgetary fluctuations and those operations for which budgets had not yet been considered, such as the advance teams of the expanded United Nations Mission in Haiti (UNMIH).

/...

81. A unified annual peace-keeping budget, including both projections for the cost of ongoing missions and a margin for new and unexpected missions, would be consistent with the role of peace-keeping as a basic function and collective responsibility of the United Nations. The technical requirement for separate special accounts should not impede its development. In that connection, the Secretariat might wish to follow the procedure employed in Australia, Canada and New Zealand, where peace-keeping obligations were covered by a consolidated national appropriation and a breakdown of costs of individual operations was maintained on an information database. Aware that certain delegations were reluctant to introduce a unified budget, Australia, Canada and New Zealand proposed examining the development of a consolidated budget document for long-standing, stable operations. A summary document enumerating all budgets for peace-keeping operations with a breakdown by major budget line item, together with the annualized budget estimates when the new budget cycle was introduced, would provide a useful basis for comparing costs.

82. Australia, Canada, and New Zealand fully concurred with the proposal by the Secretary-General for a new, more user-friendly budget format based on standardized costs and cost modules and ratios containing a uniform set of annexes. Since the examination of performance reports was an integral part of the budget review process, those reports should be submitted at the same time as the budget estimates. The three delegations agreed with the Advisory Committee that performance reports should be based on actual expenditure. They also supported the Advisory Committee's proposal to supplement the performance report for the previous budget period with up-to-date information on expenditure for the current budget period (A/49/664, para. 38).

83. They could not support the Secretary-General's proposal that the Peace-keeping Reserve Fund be increased to $800 million. Such an increase would not be necessary if all States met their obligations on time and in full. They agreed, however, that Member States in good standing should be entitled to benefit immediately from their share of real budgetary surpluses. The remaining surplus could be held in a suspense account for Member States in arrears pending payment of their contributions. The three delegations would welcome additional information from the Secretariat concerning the status of existing surpluses.

84. Australia, Canada and New Zealand had no objection to the continued deployment of contractual personnel in UNPROFOR, as they had been of great assistance in the pilot programme. The three delegations also agreed that the criteria and procedures involved, including the competitive bidding process, should be clarified; they therefore supported the Advisory Committee's proposal for an evaluation. They did not, however, support its proposal to suspend the pilot programme. Recruitment of international contractual personnel should be based on the principles set forth in Article 101 of the Charter of the United Nations.

85. Noting that death and disability claims had increased with the recent proliferation of peace-keeping operations, the three delegations agreed with the Secretary-General that the policy of reimbursement should be governed by the principle of equitable compensation and that reimbursement by the United Nations should not exceed the actual compensation paid to beneficiaries. Consideration

/...

should be given to adopting a uniform practice for military observers, civilian police and members of formed units. The three delegations would appreciate additional details from the Secretariat on the various options, including insurance. They were prepared to cooperate with other delegations in order to complete work on the issue before the end of the Assembly.

86. While they appreciated the reasons for the mission start-up kits which the Secretary-General had requested for five small missions, Australia, Canada and New Zealand shared some of the reservations expressed by the Advisory Committee. A detailed report, including a cost-benefit and risk analysis, was necessary before a final decision could be taken. Australia, Canada and New Zealand would be receptive to the proposal if adequate tendering, contracting, inventory and management controls were established.

87. She expressed support in principle for the proposal of the Secretary-General to reimburse contingent-owned equipment and encourage bilateral provision of equipment. The goal should be a simplified and streamlined system which ensured expeditious reimbursement. Australia, Canada and New Zealand would comment on a number of other issues during informal consultations, including field-specific training of administrative staff prior to their deployment and the absence of clear and transparent liability arrangements for military staff provided to the Department of Peace-keeping Operations on non-reimbursable loan or secondment.

88. While the report of the Secretary-General contained many constructive proposals, Australia, Canada and New Zealand were somewhat disappointed that it emphasized the provision of adequate resources or inputs over the monitoring and management of such resources and their contribution to the missions' outputs. Moreover, auditing was no substitute for high-quality management. The report did not properly address the timely allocation of resources to operational priorities, the setting and monitoring of priorities and the establishment of flexible, adaptable support arrangements and organizational structure. Indeed, the report was actually the first part of what should have been a two-part exercise that also included a broader section on management, including priority-setting, decision-making, evaluation of results and cost-benefit analysis. Presumably, the system of accountability to be introduced on 1 January 1995 would apply equally to peace-keeping operations.

89. Mr. BLUKIS (Latvia), speaking also on behalf of Lithuania, said that the proposals by the Secretary-General contained in documents A/49/945 and A/49/557, had two major goals. The first goal was to improve the budget approval and apportionment procedures of the General Assembly with a view to minimizing cash-flow problems and periods where legislative authority for peace-keeping operations was lacking. Lithuania and Latvia looked forward to informal consultations on the delegation of the commitment and appropriation authority of the General Assembly to the Advisory Committee in order to deal with those problems.

90. The second goal was to improve management by the Secretariat of various aspects of peace-keeping operations that did not depend directly on budget approval and apportionment by the General Assembly. Referring to Article 17,

paragraphs 1 and 2 of the Charter of the United Nations, he said that the two delegations welcomed the Secretariat's proposals for the speedy preparation of improved budget estimates and the Advisory Committee's constructive comments on those proposals. They also welcomed the Secretariat's proposals, as amended by the Advisory Committee, for budget and performance report cycles that were not linked to the mandate periods.

91. The two delegations supported the Advisory Committee's view that an increase in the level of the Peace-keeping Reserve Fund would not alleviate cash-flow problems. Long-lasting solutions must take into account a whole set of interrelated problems, such as the equilibrium between preventive development and diplomacy on the one hand and peace-keeping, peacemaking and peace-building on the other, the cost, efficiency and effectiveness of peace-keeping operations, and the principle of sovereign equality and equal rights and obligations of all Member States. In particular, methodology which assessed certain Member States in excess of their capacity to pay was not equitable, as shown in the report on the status of contributions.

92. Mr. HUDYMA (Ukraine), said that although the United Nations currently spent three times more on financing peace-keeping operations than on activities under the regular budget, its ability to manage peace-keeping as a whole was far from what might be desired. Improvement of the budgeting, planning and implementation of peace-keeping operations could no longer be deferred, and in that regard his delegation supported, in principle, the relevant proposals of the Secretary-General and the recommendations made by the Advisory Committee.

93. As noted in paragraph 15 of the Advisory Committee's report (A/49/664), the Organization continued to be beset by a lack of adequate cash financing against approved appropriations, due to the failure by a number of Member States to pay their assessments in full and on time. His delegation was convinced that the problem could only be resolved by ensuring just and adequate apportionment of costs between all Member States.

94. Ukraine firmly supported the peacemaking efforts of the international community, both politically and practically. Unfortunately, as a result of the excessive rate of assessment to the regular budget, which had been unlawfully increased by 58 per cent two years previously, and Ukraine's continuing location in a group of economically more developed countries for the apportionment of peace-keeping expenses, Ukraine still had a high debt to the peace-keeping missions' budgets. Accordingly, the Permanent Missions of Belarus and Ukraine had proposed the inclusion of a supplementary sub-item in the agenda of the forty-eighth session of the General Assembly concerning the relocation of their countries to the group of Member States set out in paragraph 3 (c) of General Assembly resolution 43/232. Unfortunately, the Open-ended Working Group on the placement of Member States into groups for the apportionment of peace-keeping expenses had been unable to reach a decision on the issue at the forty-eighth session of the General Assembly, due to the inflexible interpretation of the group's mandate by a number of delegations, which had led them to take the view that the individual cases of Belarus and Ukraine, as well as those of the Czech and Slovak Republics should be a part of the overall comprehensive solution to avert anomalies in the distribution of peace-keeping expenses.

95. His delegation looked forward to a decision on that issue and hoped that the development of objective standard criteria for the apportionment of the costs of peace-keeping operations would place the financing of peace-keeping operations as a whole on a sound footing.

96. Mrs. RODRIGUEZ ABASCAL (Cuba), after expressing support for the statement by the delegation of Algeria, on behalf of the Group of 77 and China, said that her delegation was concerned at the emerging tendency to consider the provision of electoral support and human rights monitoring as integral parts of peace-keeping operations. Moreover, judging from the introduction to the report of the Secretary-General (A/48/945), it would seem that attempts were being made to redefine the very concept of peace-keeping operations.

97. Her delegation had studied in detail the reports before the Committee and it generally supported the recommendations in the report of the Advisory Committee (A/49/664), particularly those in paragraphs 7 to 13.

98. It would appreciate additional information on what use would be made of the United Nations presence in the field (para. 10 (a)). She pointed out that the field offices should not depart from their mandate, which was to deal with operational activities for development.

99. Her delegation shared the Advisory Committee's view that increasing the level of the Peace-keeping Reserve Fund would not necessary alleviate the Organization's cash flow problems, and its concern regarding the Secretary-General's proposal that Member States be assessed for one third of the total estimates. Her delegation also agreed with the Advisory Committee's recommendations regarding financial authority (para. 25).

100. It had taken note of his proposal regarding treatment of budgetary surpluses, which seemed to favour the positions of certain Member States and to disregard the observations made by others, lending credence to the belief that the Secretariat constantly disregarded the principle of sovereign equality. Her delegation had earlier drawn attention to the need to take into account the different reasons for non-payment by Member States of their assessments; it wondered whether the Secretariat planned, when crediting the surpluses, to penalize more severely those States that withheld their assessments for political reasons.

101. Her delegation shared the Advisory Committee's views concerning the format of peace-keeping budgets (para. 44). She noted that several of the changes proposed by the Secretary-General would involve changes to the Financial Regulations and Rules of the Organization and said that any such changes should be carefully scrutinized by Member States.

102. She drew attention to the need for more equitable geographical representation among personnel, including international contractual personnel, and expressed deep concern at the irregularities in the contractual arrangements relating to UNPROFOR personnel and fully endorsed the recommendation made by the Advisory Committee in paragraph 72 of its report.

/...

103. Noting that the General Assembly had recognized the need to provide protection for United Nations personnel participating in peace-keeping operations, she said that, as the Advisory Committee had pointed out (para. 69), due to the lack of clarity in the subject of contracting, it was not clear whether the Convention on the Privileges and Immunities of the United Nations applied to contractual personnel. Accordingly, she suggested that the Secretariat should take steps to remedy that deficiency. Lastly, her delegation considered that the principle of equality among Member States was not respected in the current arrangements applicable to death and disability benefits for peace-keepers.

AGENDA ITEM 116: FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCES IN THE MIDDLE EAST

(a) UNITED NATIONS DISENGAGEMENT OBSERVER FORCE

AGENDA ITEM 122: FINANCING OF THE UNITED NATIONS PROTECTION FORCE

AGENDA ITEM 123: FINANCING OF THE UNITED NATIONS OPERATION IN SOMALIA II

104. The CHAIRMAN said that, as the Secretariat was currently operating without official legal authority for three peace-keeping operations, it was necessary to open, on an exceptional basis, agenda items 116 (a), 122 and 123. He drew the Committee's attention to three draft decisions, the text of which had been circulated.

105. Mr. TAKASU (Controller), replying to a question from Mr. JU Kuilin (China), said that the draft decisions contained only financial commitment authority and did not include assessments. They would merely provide a legislative and financial basis for the Secretary-General to continue the three operations at their current level until the Committee was in a position to take a decision on the financing of the operations, including assessment.

106. The Committee decided to recommend to the General Assembly that it authorize the Secretary-General to enter into commitments for the operation of the United Nations Disengagement Observer Force for the period from 1 to 31 December 1994 in the amount of 2,678,000 United States dollars gross (2,594,000 dollars net).

Financing of the United Nations peace-keeping forces in the Middle East: United Nations Disengagement Observer Force

Financing of the United Nations Protection Force

107. The Committee decided to recommend to the General Assembly that it authorize the Secretary-General to enter into commitments for the operation of the United Nations Protection Force for the period from 1 to 31 December 1994 in the amount of 140 million United States dollars gross (138,778,800 dollars net).

/...

Financing of the United Nations Operation in Somalia II

108. The Committee decided to recommend to the General Assembly that it authorize the Secretary-General to enter into commitments for the operation of the United Nations Operation in Somalia II for the period from 1 November to 31 December 1994 in the amount of 105,580,700 United States dollars gross (104,078,200 dollars net).

109. The draft decisions were adopted.

The meeting rose at 7.10 p.m.

UNITED NATIONS

General Assembly

FORTY-NINTH SESSION

Official Records

FIFTH COMMITTEE
30th meeting
held on
Tuesday, 6 December 1994
at 10 a.m.
New York

SUMMARY RECORD OF THE 30th MEETING

Chairman: Mr. TEIRLINCK (Belgium)

later: Mr. BARIMANI (Vice-Chairman) (Islamic Republic of Iran)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 132: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(b) RELOCATION OF BELARUS AND UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (c) OF GENERAL ASSEMBLY RESOLUTION 43/232 (continued)

AGENDA ITEM 111: PATTERN OF CONFERENCES (continued)

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of the publication* to the Chief of the Official Records Editing Section, room DC2-794, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/49/SR.30
21 December 1994

ORIGINAL: ENGLISH

/...

The meeting was called to order at 10.30 a.m.

AGENDA ITEM 132: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued) (A/48/421 and Add.1, A/48/622, A/48/912 and A/48/945 and Corr.1; A/49/557, A/49/664 and Add.1 and A/49/717)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(b) RELOCATION OF BELARUS AND UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (c) OF GENERAL ASSEMBLY RESOLUTION 43/232 (continued)

1. Mr. OWADE (Kenya) said that there were many issues of vital interest in connection with the management of peace-keeping operations, which now accounted for the largest portion of the United Nations budget. In that regard, he endorsed the comments made by the representative of Algeria.

2. While the development of a rational system of budgeting, financing and administration was of paramount importance, the need for Member States to pay their contributions in full, on time and without conditions could not be overemphasized. However efficient the system might be, there would be no improvement unless Member States, in particular major contributors, honoured their obligations.

3. Kenya had consistently supported the concept of the Peace-keeping Reserve Fund. With regard to the Secretary-General's proposal for an increase in the level of the Fund to $800 million, his delegation agreed with the Advisory Committee on Administrative and Budgetary Questions (ACABQ) that such a decision would not in itself alleviate the cash-flow problem (A/49/664, para. 19). He endorsed the proposal that the peace-keeping budget period should run from 1 July to 30 June, and believed that that cycle should be established as soon as possible. His delegation also welcomed the other proposals made relating to the rationalization of the budget.

4. While he would welcome the establishment of start-up team rosters, as proposed by the Secretary-General in his report (A/48/945 and Corr.1), he was of the view that specific information on the criteria for inclusion in those rosters needed to be furnished. His delegation shared the Advisory Committee's concerns with regard to international contractual personnel, in particular with regard to the apparent irregularities in recruitment and deployment and the lack of any clear delineation of their relationship with United Nations personnel. The fact that the international personnel system had apparently provided a "back-door" entry to the United Nations system must also be addressed. There was a need for transparency in connection with such recruitment, which must respect the principle of equitable geographical distribution. In that regard, the Advisory Committee's comment on the narrow geographical representation in the United Nations Protection Force (UNPROFOR) gave cause for concern. His delegation agreed that a thorough evaluation of the international contractual

/...

personnel system should be undertaken by the Office of Internal Oversight Services before any extension to other missions was contemplated.

5. With respect to compensation for death, injury and disability, he said that the current practice of reimbursing Governments for compensation actually paid had resulted in a wide range of payments. While the issue was complex, certain principles should guide the General Assembly in devising an acceptable formula: equal treatment of States and, as a logical extension, equal treatment of personnel irrespective of nationality; equal payment and equal compensation for equal work; actual compensation to the beneficiary should not be lower than reimbursement by the United Nations; and the system should be easy to understand and administer. The two options suggested by the Secretary-General in paragraph 71 of his report (A/48/945) needed to be examined critically in the light of those principles.

6. His delegation welcomed the recent steps which had been taken to make reimbursements to troop-contributing countries, in particular the proposal to establish comprehensive standards for each category of equipment.

7. Lastly, he welcomed the Secretary-General's acknowledgement of the crucial role played by neighbouring countries in providing essential logistical support and his recommendation that the General Assembly might wish to give consideration to "good neighbour" agreements with countries neighbouring a mission area (A/48/945, para. 106). As one such country, Kenya supported any effort to formalize the dialogue between the United Nations and neighbouring countries which was essential to the success of a mission.

8. Mr. BIRENBAUM (United States of America) said that his delegation strongly supported reforms to streamline the current peace-keeping budget process, such as the de-linking of budget cycles from mandate periods, the annualization of the budget cycle, the revision of budget formats and the establishment of a standardized costing system. Such reforms would help to prevent bottlenecks and to focus the reviews of peace-keeping budgets by both the Advisory Committee and the Fifth Committee.

9. His delegation also supported efforts to improve performance reporting. Timely and reliable data on how funds were actually spent were of enormous help when decisions had to be made on future spending. A computerized system linking operations in the field and Headquarters was required to collect and transmit such data. A consolidated peace-keeping budget, which would give the Committee a broad perspective and enable it to compare missions, would also promote informed decision-making.

10. His delegation favoured measures to accelerate the flow of funds to peace-keeping missions, particularly when they were starting up or expanding. While the Secretary-General's proposal to assess Member States for one third of the preliminary estimate of the cost had much to commend it, he agreed with ACABQ that such an approach should await the introduction of a reliable system of standard costs. For the time being, the United States endorsed the Advisory Committee's proposal that the limit of commitment authority should be increased

/...

from $10 million to $50 million. His delegation also supported the use of the Peace-keeping Reserve Fund, adequately funded and with proper controls, as a means of enabling the Organization to respond to urgent peace-keeping needs. Making credits payable to Member States conditional on full payment of assessments would create a new administrative burden and would not result in an improved record of payment.

11. In view of the need to inform residents in the areas of peace-keeping missions of political developments and mission activities, a significant amount of the funds provided to the Department of Public Information should be used for public information activities in peace-keeping missions.

12. A special study should be made of the resources necessary to audit peace-keeping activities. A plan should be developed which would provide for audit activities at Headquarters and in the field; in that connection, consideration should be given to the use of audit firms.

13. The concept of using international contractual personnel had merit in that it offered the potential advantages of more rapid deployment of support staff and lower cost. An evaluation should be undertaken by the Office of Internal Oversight Services, and efforts should then be made to correct the problems that had been identified - in particular, to ensure that policy-making remained a responsibility of the Organization and was not contracted out.

14. The Secretary-General should carry out a complete review of the mission subsistence allowance system; the system should be comprehensive and transparent and should take due account of the authority of the Secretary-General to assign staff to any United Nations activity or office in the world. The United States had supported peace-keeping operations by seconding qualified personnel, and he urged other Member States to consider providing similar support.

15. His delegation agreed that the arrangements for compensation for death and disability should be equitable and appropriate. The Secretariat should prepare an analysis of the cost implications of any proposed changes in the current methodology. He endorsed the intention to expand the authorized local procurement area for field missions to include all Member and observer States, not only those in the region, as a step towards increasing competition and reducing costs. The issue of new standards for reimbursement in respect of contingent-owned equipment had remained unresolved for too long, and must be addressed. Moreover, contingency contracting for ready transport capability must be seriously examined. Such arrangements must be made in advance of the need, on the basis of open international competitive bidding.

16. Lastly, his delegation strongly supported efforts to develop host country and "good neighbour" agreements. Those countries which benefited from United Nations peace-keeping operations must do everything they could to support operations and reduce their costs and more of them should make substantial voluntary contributions. Host country agreements should, inter alia, provide for rent-free accommodation and the waiving of taxes and charges.

17. Mr. FLORENCIO (Brazil) said that the surge in the number of peace-keeping operations over the past few years appeared to have extended the capacity of the Organization to its limits. There were growing signs of fatigue on the part of troop-contributing States, while the Secretariat support structure had not been able to keep pace. Moreover, because of its workload, the General Assembly was not able to exercise fully its oversight prerogatives.

18. The problem should be approached in its entirety. Standard arrangements for the administration of peace-keeping activities should be applied as a general rule and any departures therefrom should be justified by a clear rationale. It was important to assess whether the expansion in peace-keeping operations was likely to continue, particularly in view of current efforts to bring an end to the United Nations Operation in Somalia II (UNOSOM II) and the United Nations Operation in Mozambique (ONUMOZ). It might reasonably be assumed that the peak had passed.

19. His delegation supported the Advisory Committee's views on the financing of peace-keeping operations, and agreed that the Peace-keeping Reserve Fund should not be increased at the present stage. Until a solution was found to the cash-flow imbalance, any additional reserve funds would merely add to the burden of those Member States which honoured their obligations.

20. The special scale for the apportionment of the costs of peace-keeping operations should be institutionalized, as it embodied valid political and economic considerations. In particular, it reflected the decision-making structure of the Organization and took into account capacity to pay. With regard to the different options in connection with start-up costs, any recommendation should not detract from the prerogatives of the General Assembly under Article 17 of the Charter.

21. His delegation welcomed the proposal to de-link the financial period from the mandate period. Although that would mean institutionalizing the fact that the Fifth Committee would be virtually in permanent session, that was inevitable in view of the Committee's responsibility for examining the financial implications of Security Council decisions. Consideration would, however, need to be given to the political implications of viewing a peace-keeping operation as stable and thus capable of being fitted into the special financial period. In fact, the concept of stability was contrary to one basic tenet of such operations, namely that they were not an end in themselves. His delegation agreed with the Advisory Committee's reasons for not recommending a unified peace-keeping budget.

22. The Office of Internal Oversight Services should evaluate procedures relating to contractual personnel. While cost-effectiveness was relevant, due account should be taken of the need to avoid discrimination on the grounds of nationality, race or gender.

23. On the question of death and disability benefits, the principle of equal treatment was not being observed. Artificial distinctions in the treatment of those who risked their lives could not be allowed to continue. His delegation

looked forward to the review of efforts to devise a new system of reimbursement in respect of contingent-owned equipment, and agreed that there was a need to ensure transparency and impartiality in procurement procedures with a view to emphasizing competition.

24. Mr. MWAKAWAGO (United Republic of Tanzania) said that, in view of the international community's recent experience in the field of peace-keeping operations, the urgency of reviewing the administrative and budgetary aspects of the financing of those operations could not be overstated. His delegation thus associated itself with the views expressed by the Chairman of the Group of 77 when addressing the Committee on behalf of the Group of 77 and China. The Committee's search for solutions should be guided by the provisions of the Charter and the relevant General Assembly resolutions, and the reforms considered should lead to greater efficiency, effectiveness and accountability.

25. His delegation commended the efforts by the Secretary-General to enhance the Organization's capability to plan and manage logistical, financial and human resources in peace-keeping operations. In view of the proliferation of conflicts around the world requiring United Nations intervention, peace-keeping operations called for the clear demarcation of lines of authority and mandates, and for thorough coordination. Where financial and personnel matters were concerned, his delegation took the view that questions of human rights and humanitarian assistance should be addressed separately from those relating to peace-keeping functions.

26. The serious financial problems faced by the Organization were exacerbated by the dramatic increase in United Nations involvement in peace-keeping activities and by the failure of Member States to pay their assessed contributions in full and on time. The Secretary-General's initiatives, particularly those aimed at enhancing transparency and accountability, deserved support, and his country's contribution in that regard would be made with an open mind.

27. With regard to the operations of the Peace-keeping Reserve Fund and the commitment authority, his delegation appealed to the Committee to examine the changed environment and experience in the light of General Assembly resolutions 47/217 and 44/203 and make appropriate recommendations. There was some merit in the proposal that an annual cost estimate should be developed for those operations whose budgetary and operational requirements were more or less stable; that would help to streamline the work of the Committee in dealing with budget estimates for peace-keeping operations. His delegation was, however, unhappy with the proposal regarding the presentation of a consolidated budget estimate for all peace-keeping operations, and took the view that, for obvious reasons, each operation's budget should be presented separately.

28. Referring to the section of the report of the Secretary-General (A/48/707) on the use of civilian personnel in peace-keeping operations, in particular the use of international service agencies, he said that the questions raised in paragraphs 68 to 72 of the report of the Advisory Committee (A/49/664) were critical enough to deserve serious consideration. Issues that had been brought

/...

to the fore included geographical representation, recruitment procedures and their impact on the United Nations personnel system, and the criteria for the selection of the agencies involved. His delegation endorsed the recommendation of the Advisory Committee that the Secretary-General should request the Office for Internal Oversight Services (OIOS) to carry out a thorough investigation (A/49/664, para. 72).

29. Another issue requiring urgent attention was the question of compensation for death and disability. It was impossible to comprehend the logic behind the discrepancies in the payments made to contingent personnel, military observers and other staff in the event of death or disability. There could be no justification for awarding different levels of compensation ranging from $19,500 to $85,300 in respect of loss of life suffered in similar circumstances by personnel serving the same Organization on the same duty assignment.

30. Mr. BARIMANI (Islamic Republic of Iran) said that his delegation also associated itself with the views expressed by the Chairman of the Group of 77 in his address to the Committee on behalf of the Group of 77 and China. The unprecedented expansion of peace-keeping operations required full mobilization of the United Nations in order to respond in a timely fashion to the demands and challenges facing it. At the same time, the Organization's ability to cope with the various aspects of peace-keeping operations must be regularly assessed by Member States. His delegation appreciated the Secretary-General's efforts to improve the Organization's capacity for the planning and implementation of peace-keeping operations. In that regard, it supported the various proposals made by ACABQ. With regard to the proposal contained in paragraph 14 of the Secretary-General's report (A/48/945) that humanitarian assistance should fall under the overall umbrella of peace-keeping operations, his delegation emphasized the impartiality of humanitarian assistance; it believed that a clear distinction should be made between such activities and peace-keeping operations. As in the past, humanitarian assistance should be rendered through voluntary contributions.

31. On the proposal to increase the level of the Peace-keeping Reserve Fund to $800 million, his delegation recalled that the Fund had been established in order to solve the start-up cash flow problem. It did not believe that an increase in the level of the Fund at the present stage would help to alleviate the current cashflow problem. Rather, efforts should be made fully to capitalize existing reserve funds, as the Advisory Committee had stated (A/49/664, para. 19).

32. His delegation concurred with the view of the Secretary-General that the present level of the commitment authority might not be commensurate with the cash needs for the start-up costs of new or expanded missions; it could not, however, agree on the need for such a sharp increase as that proposed. As stated in the report of ACABQ, a level of $50 million for each decision of the Security Council would be far in excess of what was actually required. His delegation was also unable to agree with the proposal for a one third assessment of the preliminary estimate presented to the General Assembly.

33. With regard to the proposals concerning the peace-keeping budget cycle, it was understandable that multiple periods for each of the 15 ongoing peace-keeping operations caused considerable difficulties in terms both of record keeping and of the number of reports prepared on the financing of peace-keeping operations. His delegation shared the concern of the Advisory Committee that at any given time one or more peace-keeping operations were operating without legal financial authority. The recommendation of ACABQ that 1995 should be a transitional year, with a new budget and financial cycle starting on 1 July 1996, had merit, and could serve as a basis for the Committee's deliberations.

34. His delegation welcomed the efforts of the Secretary-General to strengthen internal audit functions in peace-keeping operations, and agreed that the expertise of the resident internal auditors should be utilized. However, the Office of Internal Oversight Services and the Board of Auditors also had an important role to play, especially in the case of the large field missions.

35. His delegation shared many of the concerns expressed with regard to international contractual personnel in paragraphs 68 to 72 of the report of ACABQ. All those concerns were subject to a full investigation by the Office of Internal Oversight Services, and he expected that the outcome of that investigation and the Office's recommendations would be made available to the General Assembly so that remedial action could be taken. On the question of compensation for death and disability, he said that the current system did not adequately reflect the established principle of equal compensation for equal work, and it should thus be amended.

36. Mr. ŠRÁMEK (Czech Republic) said that his delegation supported the far-reaching and comprehensive approach to the administrative and budgetary aspects of the financing of peace-keeping operations set out in the Secretary-General's report (A/48/945), which should establish a solid financial and administrative base for dealing with the increasing number and scope of such operations. However, his delegation had very serious misgivings regarding the discontinuation of the work of the open-ended working group which had dealt with the question of grouping Member States for purposes of the apportionment of peace-keeping expenses during the previous session of the General Assembly. At that time, most Member States had agreed on the importance of establishing objective criteria to replace the existing ad hoc mechanism, the accuracy of which was dubious. Those ad hoc decisions of the Fifth Committee had been based on a mistaken assumption that the total output of separated economies equalled the output of the single economy they had replaced. That assumption was unjustified because the underlying economic conditions were different and because division brought smaller markets, more complex exchange procedures, quotas, tax barriers and other adverse consequences, all of which resulted in falling production and lower national income.

37. The assessment rate of the Czech Republic, as determined by the previous year's ad hoc decision, was three times larger than would have been the case, had it been derived from its own statistical data. Furthermore, the current methodology meant that such a huge discrepancy could not be balanced in the near

future. Those distortions were further exacerbated where the Member States in question had been wrongly grouped for purposes of the financing of peace-keeping. Thus, the financial burden on the Czech Republic per unit of national income might eventually be 15 times greater than that of comparable economies in the region.

38. It was understandable that those Member States which shouldered the bulk of the peace-keeping budget would not be happy at the prospect of a smaller number of countries in group B. On the other hand, countries with transitional economies which were suffering the consequences of division could not agree to be placed in the wrong group, and thus be grossly overburdened at the worst possible time for their economies. The financing of peace-keeping should be linked to the real capacity of States to pay. A working group should therefore be set up to establish verifiable and equitable criteria for the apportionment of peace-keeping expenses.

39. Ms. RODRIGUEZ (Cuba), referring to the statements made at earlier meetings by the representatives of Belarus and Ukraine, expressed the hope that a draft resolution could be produced during the current session taking into account the justifiable request by those States to be relocated in group C for purposes of the financing of peace-keeping operations.

40. Mr. TAKASU (Controller) said that the contributions of delegations to the general discussion had assisted the Secretariat in its task of improving the planning and implementation of peace-keeping operations. In making specific proposals with regard to financial authority and assessment, the Secretary-General had been extremely aware of the responsibility and authority of the General Assembly for the review and approval of the budgets for peace-keeping operations. In recent years, difficulties had arisen regarding the level of financial authority. The Secretariat had proposed that the General Assembly should approve a higher level of commitment authority, ranging from $10 million to $50 million, depending on the specific situation. It was not proposed that the level should be $50 million for every peace-keeping mission: in the case of Rwanda, for instance, the level had been $47 million. Above that level, the General Assembly would have to meet to approve financial authority. The Secretariat's request that Member States should be assessed for one third of the preliminary estimates, or the financial authority, whichever was lower, applied only in the case of new missions. No performance report was necessary for new missions.

41. With regard to the extension of existing missions on a maintenance basis, the Secretariat had proposed an annual 12-month budget on the basis of a full budget submission in a synchronized manner; obviously, ACABQ and the General Assembly would review and approve the budget. Only when the Security Council had extended the mandate and the General Assembly had approved the budget would financial authority be extended and assessment approved; there would, however, be no need for a further submission to ACABQ and the General Assembly.

42. If an ongoing mission had to be expanded by the Security Council, the maintenance costs would already have been approved by the General Assembly, so

that only the portion of the mission to be expanded would be assessed on the basis of the preliminary estimate; the same procedure would apply to that portion as to a new mission. The General Assembly would need to meet again only if the level of commitment authority was exceeded. In all cases, budgets would be submitted individually and financial authority would be provided and Member States assessed only after the Security Council had adopted a decision to establish, expand or extend a mission's mandate.

43. With regard to the Peace-keeping reserve Fund, he noted the view expressed by many delegations that an increase in the level of the Fund would not automatically resolve the situation and that the first priority should be to ensure that the Fund was fully capitalized at the authorized level of $150 million. That could be done only if regular budget arrears were paid. Currently, the level of outstanding contributions to the regular budget amounted to $559 million. If Member States were to pay those outstanding contributions, an attempt could then be made to replenish the Fund gradually, in the light of the immediate requirements for the current regular budget programme.

44. On the question of specific transitional measures, he said that, if at its current session the General Assembly endorsed the Advisory Committee's proposal for a new budget cycle starting on 1 July 1996, the following transitional measures would have to take effect. In the case of operations whose next budget was due to be submitted during the period January-March 1995, for example, the United Nations Angola Verification Mission (UNAVEM II), the United Nations Iraq-Kuwait Observation Mission (UNIKOM) and the United Nations Mission in Haiti (UNMIH), the next submission would cover the period up to 30 June 1995, as well as the period from July 1995 to June 1996; thereafter, the new budget cycle would start. In the case of operations such as the United Nations Disengagement Observer Force (UNDOF), the United Nations Interim Force in Lebanon (UNIFIL) and the United Nations Peace-keeping Force in Cyprus (UNFICYP), the Secretariat proposed that at the current session, the General Assembly should provide financial authority until June 1996, after which the new cycle would begin. In the case of other operations whose budgets were currently being reviewed, financial authority could be provided in the usual manner and the budget to be submitted at the fiftieth session of the General Assembly would cover the period up to June 1996.

45. Some delegations had expressed disappointment that the Secretary-General had not submitted any specific proposals regarding compensation for death, injury and disability. Three important principles should be borne in mind in reviewing the arrangements: first, equitable treatment must be extended to all contingent personnel regardless of State of origin; second, the United Nations should not compensate at a level above that of the actual compensation awarded to the beneficiary; third, the procedures must be easy to administer. Having regard to those three principles, the Secretariat proposed two options: to maintain the current arrangement, whereby the United Nations reimbursed Member States after receipt of full certification, but subject to a ceiling to be agreed upon by the General Assembly; or to apply the policy currently applied to military observers, whereby the United Nations compensated the beneficiary directly, in an amount limited to twice the annual salary excluding allowances,

/...

or $50,000, whichever was greater. It was difficult to devise a system that would take full account of all three principles, since those principles were to some extent mutually exclusive. However, either of the options proposed by the Secretariat would go a long way towards meeting concerns in that regard.

46. Many delegations had stressed the need for Member States to pay their contributions in full and on time. However perfect the system eventually devised, there could be no fundamental change in the financial situation unless Member States honoured their financial obligations. The Secretary-General thus urged Member States to make every effort to expedite their payments. At the same time, the Secretariat was keenly aware of the importance of efficient and effective management of the resources made available by Member States for peace-keeping operations, and would continue to make every effort to ensure that those resources were utilized in the most efficient manner.

AGENDA ITEM 111: PATTERN OF CONFERENCES (continued) (A/49/32 and Add.1 to 3, A/49/212, A/49/276 and Add.1 and 2, and A/49/531; A/C.5/49/2/Rev.1, A/C.5/49/34 and Corr.1)

47. Mr. FLORENCIO (Brazil), speaking on behalf of the Rio Group, said that the Group attached particular importance to conference services in view of the need to improve the efficiency and management of the Secretariat in a climate of scarce resources. It thus welcomed the report of the Committee on Conferences (A/49/32) and approved the revised calendar of conferences for 1995. Among the proposals for improvements in the management of conference services, the Rio Group singled out the use of account managers to rationalize the early stages of preparation of documentation in close cooperation with other departments and offices. In that connection, it agreed on the need for the systematic encouragement of team work. Staff training and the incorporation of appropriate technology and performance measurements were crucial to ensure a balance between quality, timeliness and cost-efficiency over the long term. The report on a comprehensive study on conference services (A/C.5/49/34) was a useful document, which would create greater awareness of the problems associated with conference services and suggest various options for solving those problems. The Rio Group shared the view of the Committee on Conferences, that the study offered a basis for the submission of budget proposals for the biennium 1996-1997, on the understanding that special attention should be accorded to the need for more transparent management indicators, more detailed information on the costs of meetings and documentation, and a detailed analysis of real demand for conference services.

48. With regard to the control and limitation of documentation, he said that the need for compliance with the six-week rule was indisputable. Timely issuance of documentation in all languages was essential for the constructive and informed participation of delegations in any negotiation. In the light of its knowledge of the internal process of the preparation and issuance of documents and statistics, the Rio Group considered that the time had come to explore guidelines to resolve a perennial problem which came to prominence only when there were delays in the issuance of documents.

/...

49. Statistics, though important, were not conclusive and should be studied in the context of other variables as a basis for taking the required decisions. Discipline was required on the part of both the Secretariat and Member States in order to solve the documentation crisis, and the Rio Group supported the recommendations on that subject made by the Committee on Conferences. The time had perhaps come to study the possibility of setting time-limits that were realistic and could be respected.

50. The delegations of the Rio Group wished to express reservations regarding the recommendation in paragraph 66 of the Committee's report concerning the limitation of the documentation of the Economic and Social Council and its subsidiary bodies. He pointed out that the Council had not taken a decision on the document mentioned in that recommendation (E/1994/L.41), which had been transmitted for consideration to the Second Committee; the latter was consequently considering the matter, but there was as yet no agreement. The delegations of the Rio Group therefore considered that, before the Fifth Committee took any final decision on the limitation of the documentation of the Council, agreement should first be reached in the substantive bodies.

51. With reference to paragraph 54 of the report, the Rio Group considered it essential that verbatim records should continue to be provided for the First Committee, the Disarmament Commission, the Conference on Disarmament and the Committee on the Peaceful Uses of Outer Space, in accordance with the decisions of those bodies.

52. The delegations of the Rio Group wished to convey their appreciation for the work done by the Committee on Conferences. They were confident that the reorganization of the Department of Administration and Management would be of benefit to the Office of Conference and Support Services, and would thus enhance the effectiveness and efficiency of the United Nations and bring it closer to the attainment of its objectives as the fiftieth anniversary of the Organization approached.

53. Ms. BUERGO (Cuba) said that she shared the concern expressed by the Assistant Secretary-General for Conference and Support Services over the difficult situation faced by the Office of Conference and Support Services. The latter must be provided with the resources which it needed to carry out its functions effectively and her delegation therefore supported the recommendations of the Committee on Conferences in paragraph 65 of its report (A/49/32). Of crucial importance to the achievement of that objective was the restitution of the 19 posts which it was proposed to suppress and her delegation looked forward to additional information from the Secretary-General on the impact of the proposed suppression of posts on the delivery of conference services.

54. She welcomed the improved overall and average utilization of conference services and supported the recommendation of the Committee on Conferences that the core sample in the statistical analysis should be expanded. That recommendation, however, did not include the Security Council, which held a large number of meetings and whose working methods and procedures often resulted in low utilization of conference-servicing resources. If the General Assembly

/...

was serious about reviewing the utilization of those resources, the Security Council should head the list of bodies included in the core sample. Her delegation wished to see that point duly reflected in the draft resolution which the Fifth Committee would adopt on the item.

55. Her delegation was also of the view that the experimental methodology for compiling statistics on the utilization of conference-servicing resources should continue to be applied so that any analysis of capacity utilization figures would take into account all the factors which had an impact on the most rational use of those resources. Resources could be used more efficiently if the Secretariat respected relevant legislative mandates and refrained from making proposals which bore no relation to the decisions of Member States.

56. Her delegation also endorsed the recommendations contained in paragraph 42 of the report of the Committee on Conferences concerning waivers to the rule that meetings of all subsidiary bodies should be held at their established headquarters.

57. With regard to the problems concerning the preparation of the verbatim and summary records of the various bodies, she said that while it was necessary to reduce the cost of those records, she could not accept the proposal to discontinue verbatim records for the sessions of the Conference on Disarmament, the First Committee and the Committee on the Peaceful Uses of Outer Space, all of which were negotiating forums.

58. Unfortunately, the Secretariat's efforts to comply with the six-week rule for the issuance of pre-session documentation had not had the expected results. In the Fifth Committee, for example, constraints were often placed on the negotiating process because of excessive delays in the processing of documents. While it was true that an increasing number of documents was being requested by Member States, the complexity and importance of many of the deliberations of the Fifth Committee required a greater effort on the part of the Secretariat to make information available to Members in an efficient and timely manner.

59. Her delegation looked forward to the final results of the study on the organization, management and human resources requirements for the provision of adequate conference services, which had been requested by the General Assembly in resolution 48/228. It shared the view of the Committee on Conferences that the subsequent stages of the study should be carried out by internal consultants; that would permit a more rational use to be made of the Organization's resources.

60. Mr. GODA (Japan) said that, while his delegation was ready to adopt the draft calendar of conferences and meetings for 1995 as contained in annex I to the report of the Committee on Conferences (A/49/32), there were other issues that needed to be addressed, such as the control and limitation of documentation and the improvement of services, which had attained critical importance in view of the dramatic increase in the workload.

61. His delegation was pleased to note the increase in recent years in the overall and average utilization factors for the core sample of bodies. As for meeting records, he said that while his delegation recognized the problems faced by the Secretariat in providing timely documentation, it welcomed the initiative taken by the Committee on Conferences to review the need for the provision of meeting records. Such records, especially those of bodies of a political or legal nature, were extremely important to delegations, and the review of needs would require good communication with the substantive committees and bodies concerned.

62. Punctual issuance of documentation was a prerequisite for in-depth and meaningful discussions at conferences and meetings and his delegation had on several occasions urged that the six-week rule should be strictly observed, although it realized that prospects for achieving that goal were not encouraging. His delegation therefore endorsed the recommendation of the Committee on Conferences in paragraph 64 of its report concerning the need for a constructive dialogue between the Secretariat, Member States and all parties concerned on questions of documentation and the need for better coordination on documentation, in particular between the Office of Conference and Support Services and the substantive author departments.

63. Finally, his delegation welcomed the Secretary-General's report on a comprehensive study on conference services (A/C.5/49/34) and expressed appreciation for the efforts of the Organization to improve administration and management. The report contained many good suggestions and ideas for improving services, such as the strengthening of communication with other Secretariat offices and Member States in order to improve conference and documentation services; better planning capacity; the introduction of new performance indicators and new technology; and enhanced staff training. His delegation urged that those proposals be implemented in coordination with other Secretariat departments.

64. Mr. THUM (Germany), speaking on behalf of the European Union and Austria, said that, the efficient and cost-effective use of conference services was more important than ever. The European Union and Austria supported most of the recommendations of the Committee on Conferences which, it was hoped, would help to rationalize and improve the use of conference facilities and services.

65. The European Union remained convinced that a review of the question of the Committee's standard-setting powers could best be carried out in the light of recommendations 1, 2 and 3 of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations, which had proposed that the role of the Committee on Conferences should be strengthened and that it should be given broader responsibilities.

66. In view of the potential proliferation of major international conferences which had emerged during the current session of the General Assembly, the European Union and Austria wished to caution against the risk that the role and purpose of the main organs of the Organization, as outlined in the Charter, in

particular the General Assembly and the Economic and Social Council, might be diminished.

67. Referring to the draft revised calendar of conferences and meetings, he said that the European Union and Austria supported the Committee's recommendations and felt that the requests contained in paragraphs 19 and 20 of the Committee's report were of particular importance.

68. It was gratifying to note that there had been an increase in the overall rate of utilization of conference-servicing resources, which had now reached 84 per cent, and in the average utilization rate, which was now 83 per cent. However, the utilization rates of certain United Nations bodies were unfortunately below the benchmark figures and he supported the Committee's recommendation to the General Assembly that those bodies be urged to review their requests for conference services with a view to ensuring the most effective use of the Organization's resources.

69. The European Union and Austria welcomed the Committee's recommendation that the waiver of the requirement to hold meetings at their established headquarters granted to the functional commissions of the Economic and Social Council should be discontinued. They attached particular importance to the continuation of the headquarters rule and requested information about the potential cost implications of granting exceptions.

70. It was regrettable that, despite the introduction of new technology, improved productivity and the reduction of costs in the area of conference servicing, the situation with regard to the timeliness and quality of documentation remained critical. The Member States and the Secretariat, within their respective fields of competence, had a common responsibility to take corrective action. The Member States expected the Secretariat to produce the documentation required in compliance with the page limits and time-limits mandated by the General Assembly. The European Union and Austria supported the Committee's recommendations that the chairmen of those bodies which consistently under-utilized conference-servicing resources should be requested to review their need for meeting records and to propose to Member States once again that time-limits on statements should be adopted at the beginning of each session. The timely issuance of summary records was particularly important for the work of delegations.

71. In conclusion, he welcomed the proposal regarding the improvement of facilities for bilateral meetings and contacts during the period of the general debate in the General Assembly and suggested that it should be included in the general resolution on conference services. The proposal that the improvement should be effected within existing resources was also to be welcomed.

72. Ms. ZHANG Hong (China) said that the report of the Secretary-General on the control and limitation of documentation (A/49/531) gave a comprehensive account of compliance with the rules and regulations for the timely issuance of documentation, explained the causes of the documentation crisis and contained many useful proposals which shed light on the problems. The quality, timeliness

and efficiency of conference services had a direct bearing on the functioning of the United Nations system. In view of the adverse effect of the late issuance of documentation on the work of some organs, her delegation fully endorsed the view of the Committee on Conferences that the General Assembly should pay the utmost attention to improving the quality of conference services.

73. Recent developments had brought opportunities, as well as challenges, for the United Nations. The role of the Organization had been strengthened and the activities of the Security Council and its subsidiary bodies had expanded; as a result, there had been a dramatic increase in the conference-servicing workload. Various factors, such as the restructuring of the Secretariat, technological innovation and staff reductions in the Office of Conference and Support Services had strained the resources of the conference-servicing system, and problems such as the late submission and issuance of documentation had become more serious. Her delegation appreciated the practical difficulties facing conference services and supported the suggestion of the Committee on Conferences that the Office of Conference and Support Services should be provided with the necessary human, financial and material resources. Her delegation also hoped that the departments concerned would comply strictly with the rules relating to the timely submission of documents, as well as to their number and length.

74. The key to improving the quality of conference services lay in the initiative and sense of responsibility of the staff members concerned. Her delegation welcomed the decision by the Secretary-General to develop an effective and transparent system of responsibility and accountability for programme managers and hoped that such a system would also be applied within the Office of Conference and Support Services.

75. The ten-week rule for the submission of pre-session documentation and the six-week rule for its issuance were basic documentation control rules deriving from resolutions of the General Assembly; it was regrettable that they had not been conscientiously observed for some time. Her delegation hoped that the Secretariat would make every effort to comply with the six-week rule. Given the fact that the demand for documentation had far exceeded the capacity of the human resources of the Secretariat, the Office of Conference and Support Services and author departments should strengthen their coordination and adopt more positive measures to find an effective solution to the documentation crisis.

76. The staff responsible for producing documentation should be strengthened rather than weakened as a result of the restructuring of the Secretariat. In view of the importance of high-level training, it was gratifying to note that the Office of Conference and Support Services, after consultation with the Office of Human Resources Management, had developed a staff training course on the drafting of documents.

77. In conclusion, she hoped that the Office of Conference and Support Services would overcome its current difficulties and be able to ensure that efficient and high-quality conference services were in place to meet its increased workload

/...

during the forthcoming year, which would mark the fiftieth anniversary of the United Nations.

78. Mr. ACCROMBESSI (Benin) said that, on the eve of its fiftieth anniversary, it was essential for the Organization to improve the quality of its conference services, without which it could not fulfil its role. The task of the Office of Conference and Support Services was no easy one, given the steady increase in the volume of work and the size of its staff, delays in the submission of documents, and the effects of technological innovations. Solutions were therefore needed to ensure a high quality of output at a reasonable cost, particularly in the issuance of pre-session documentation and summary records and the provision of competent interpretation services.

79. In that connection, his delegation supported the proposals of the Committee on Conferences to the effect that the Office of Conference and Support Services should be provided with the necessary human, financial and material resources to cope with its increased workload, *inter alia*, through investment in new technological applications and the accelerated introduction of the optical disk system.

80. His delegation shared the concern of the Committee on Conferences about the proposals to reduce the staff of the Office of Conference and Support Services, in particular in the staff of the Translation Services. If implemented, those proposals would, in fact, legitimize and aggravate an unsatisfactory situation which his delegation already considered unacceptable. It was a well known fact that the delays experienced by non-English-speaking delegations in obtaining working documents were due to the insufficient number of translators. To reduce that number still further would have unfortunate consequences for the functioning of the system in general and for the proper servicing of conferences in particular. Efforts should focus instead on achieving a significant reduction in the number of unimportant but expensive documents produced, limiting the length of statements, where possible, and starting and ending meetings on time. Delegations must bear their share of responsibility, since it was delegations which requested lengthy reports, often at inopportune times, made lengthy statements, which made additional meetings necessary, and arrived late at meetings, which could then not start on time.

81. With regard to another important area, staff training, he said that staff members in the Office of Conference and Support Services could not discharge their responsibilities effectively unless they received adequate training, including periodic refresher training. That applied particularly to précis-writers, translators and to interpreters.

82. Finally, the continued expansion of the Organization made it necessary to modify existing conference rooms and to construct new ones. The sound systems in the conference rooms also needed to be modernized.

83. Mr. FATTAH (Egypt) said that his delegation was ready to support the recommendations of the Committee on Conferences, in particular the recommendations in paragraphs 18 (d) and 90 of its report (A/49/32). His

delegation was also ready to endorse the recommendations in the excellent report of the Secretary-General on a comprehensive study on conference services (A/C.5/49/34), although it was not convinced that an external consultant was needed to undertake the study.

84. Training for conference-servicing staff was a priority, not only in order to reduce dependence on temporary assistance, but also to ensure that the language and terminology used by the interpreters in United Nations meetings and by the translators in the Organization's documents were consistent with those currently used by Member States. His delegation looked forward to a detailed plan for staff training to be included in the proposed programme budget for the biennium 1996-1997.

85. Mr. DEINEKO (Russian Federation) commended the frankness and objectivity of the Secretariat, as exemplified by the Assistant Secretary-General for Conference and Support Services in his statement to the Fifth Committee, concerning the position with regard to the conference services of the Organization. He hoped that the Member States, in close cooperation with the Secretariat, would be able to resolve, even if only in part, the problems of conference-servicing in the United Nations.

86. On the question of the control and limitation of documentation, he said that the objective and positive position adopted by the Committee on Conferences provided a sound basis for the decisions to be taken later by the General Assembly. The Committee had identified the following main problems relating to the control and limitation of documentation: the uncontrolled growth in the volume of documentation, the increasing delays in the issuance of documents, and problems relating to the quality of documentation issued. Some of the problems were ultimately the responsibility of Member States, which should exercise restraint in their requests for conference services. The recommendations on that matter made by the Committee on Conferences deserved careful study.

87. His delegation took particular note of the clear position of the Committee on the quality, timeliness and effective utilization of resources, as well as on the need for strict compliance with the principle of the parity of the official and working languages of the United Nations. It shared the Committee's opinion regarding the need to develop a system of accounting that would provide fuller information on the true cost of conference services and to convey that information on a continuing basis to all the organs of the General Assembly.

88. The high hopes that his delegation had entertained with regard to the comprehensive study on conference services had not been fully realized. However, although the Secretary-General's report (A/C.5/49/34) proposed no miraculous solutions, the efforts made by the Secretariat to identify the problems and to devise ways of addressing them could be expected to lead to positive results.

89. His delegation took note of the measures taken by the Office of Conference and Support Services, in the context of the comprehensive study, to devise indicators of quality, to introduce a system of demand forecasting and to

develop integrated approaches to the utilization of conference-servicing resources. It was to be hoped that those measures would make a major contribution towards improving the conference services of the Organization.

90. Lastly, his delegation supported the request of the Secretariat that a decision should be taken before the end of the current session of the General Assembly on the creation of unified conference services at Vienna, so that the new arrangements could be introduced with effect from 1 January 1995.

91. Mr. STITT (United Kingdom) said that his delegation shared the views expressed by the representative of Germany on behalf of the European Union and Austria and generally supported the recommendations of the Committee on Conferences. He noted, however, that in paragraph 54 (d) of its report, the Committee on Conferences indicated that records would no longer be provided for the Committee on Applications for Review of Administrative Tribunal Judgements. In view of the specific criticism by the Tribunal on a matter related to that issue, his delegation wished to request that that recommendation of the Committee on Conferences should be reviewed during informal consultations.

92. Mr. KOURULA (Finland), speaking on behalf of the Nordic countries, said that the recent increase in the demand for meetings services was due mainly to the increase in the level of activity of the Security Council and, consequently, of the Fifth Committee and ACABQ. Despite efforts to streamline the work of the General Assembly, new items were constantly being included in its agenda and the Secretariat had been unable to meet the demand which that increase had placed on the Office of Conference and Support Services. He therefore appealed to Member States to consider the high costs involved and to exercise restraint in requesting new reports from the Secretary-General. At the same time, however, author departments in the Secretariat should improve the quality and timeliness of documentation, which should be more action- and result-oriented.

93. The Nordic countries supported the recommendations of the Committee on Conferences concerning the provision of written meeting records to subsidiary organs of the General Assembly, with the exception of the recommendation relating to the Conference on Disarmament. That body differed from others in that it was a negotiating body rather than a deliberating organ and, as such, should be allowed to retain its verbatim records if it considered them necessary. He welcomed the initiatives taken by the governing bodies of the United Nations Children's Fund (UNICEF) and the United Nations Development Programme (UNDP)/United Nations Population Fund (UNFPA) to dispense with summary records, as well as the measures taken by the Economic and Social Council to limit documentation. In addition to reducing their in-session documentation, UNDP/UNFPA and UNICEF had decided, with respect to pre-session documentation, that Secretariat reports should normally not exceed three pages and should include sections identifying the report's objective, the means of implementation and the decision which the governing body was requested to make. While it would be more difficult for organs which comprised the entire membership of the Organization to follow that pattern, the Nordic countries strongly encouraged all bodies which were currently entitled to have meeting records to review the need for such records.

/...

94. The Nordic countries supported the recommendations of the Committee on Conferences concerning compliance with the six-week rule for the issuance of pre-session documentation. Measures must be taken to make that rule viable.

95. Referring to meeting services, he said that all United Nations bodies should review their need for meetings in general, as well as the number and duration of meetings. Meetings should be carefully planned well in advance and only such documentation as was vital to the consideration of the item in question should be requested. On that basis, the Nordic countries could approve the conclusions and recommendations of the Committee on Conferences, including the draft revised calendar of conferences and meetings for 1995. They supported the recommendation of the Committee on Conferences that the competent legislative organs should be invited to disband all bodies dealing with apartheid (A/49/32, para. 18 (c)). In general, they cautioned against the proliferation of thematic conferences which might undermine the central roles of the General Assembly and of the Economic and Social Council.

96. On the question of improving the utilization of conference-servicing resources, he said that the Nordic countries supported the recommendation of the Committee on Conferences that the General Assembly should urge those bodies whose utilization factor for the previous three sessions had been below the benchmark figure to reduce their requests for conference services. It would also be useful to expand the core sample in the statistical analysis of organs that had been meeting on a regular basis for the past decade to include the Main Committees of the General Assembly and ACABQ.

97. As for the issue of subsidiary bodies meeting away from their established headquarters, exceptions to the provisions of General Assembly resolution 40/243, should be granted only when there was documented proof of reduction in expenditure and/or a mandatory need to meet away from headquarters to enable the body concerned to perform its substantive tasks. The number of waivers should, moreover, be kept to a minimum.

98. The Nordic countries supported the additional organizational improvements proposed for the Office of Conference and Support Services. They shared the view expressed by the Secretary-General in his report (A/C.5/49/34) that a strengthening of communications between the Office, the rest of the Secretariat and representatives of Member States was urgently needed in order to attain the common goals.

99. The proposals for the management of conference services presented on the basis of the comprehensive study were well founded, particularly those concerned with the measurement of conference-servicing costs, demand forecasting, development of a benchmark system and the introduction of new performance indicators. The maximum use of existing technology and the introduction of technological innovations were of crucial importance to the Office of Conference and Support Services. The Nordic countries would welcome additional information on staffing levels and further analyses of how questions relating to the requirements set for the staffing of the Office could be resolved. They also supported demands for increased staff training.

/...

100. Mr. Barimani (Islamic Republic of Iran), Vice-Chairman, took the Chair.

101. Ms. ROTHEISER (Chairman of the Committee on Conferences) said that the Committee on Conferences would continue to focus on the processing time and the volume of documentation. She hoped that the Fifth Committee would shortly be able to adopt the draft resolution on that matter by consensus.

102. Mr. SEVAN (Assistant Secretary-General for Conference and Support Services) said that it was gratifying to note that everyone concerned realized that both Member States and the Secretariat were faced with the same problem as far as documentation was concerned. He wished to make it very clear that there was no way to comply with the six-week rule if 14,000 pages of pre-session documentation had to be processed. No amount of financial resources poured into the Office of Conference and Support Services would alter that reality. Only by reducing the volume of documentation could the timely issuance of documentation be improved. He noted, however, that, far from recommending reductions in the volume of documentation, delegations had actually requested more reports.

The meeting rose at 1.10 p.m.

UNITED NATIONS
General Assembly
FORTY-NINTH SESSION
Official Records

FIFTH COMMITTEE
31st meeting
held on
Friday, 9 December 1994
at 3 p.m.
New York

SUMMARY RECORD OF THE 31st MEETING

Chairman: Mr. TEIRLINCK (Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 122: FINANCING OF THE UNITED NATIONS PROTECTION FORCE

AGENDA ITEM 110: ADMINISTRATIVE AND BUDGETARY COORDINATION OF THE UNITED NATIONS WITH SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

AGENDA ITEM 105: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

AGENDA ITEM 114: UNITED NATIONS COMMON SYSTEM (continued)

AGENDA ITEM 115: UNITED NATIONS PENSION SYSTEM (continued)

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of the publication* to the Chief of the Official Records Editing Section, room DC2-794, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/49/SR.31
23 December 1994

ORIGINAL: ENGLISH

/...

The meeting was called to order at 3.30 p.m.

AGENDA ITEM 122: FINANCING OF THE UNITED NATIONS PROTECTION FORCE (A/49/540 and Add.1 and A/49/753)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the Secretary-General's proposals on the financing of the United Nations Protection Force (UNPROFOR) for the period from 1 October 1994 to 31 March 1995 (A/49/753) said that, when the General Assembly had considered the cost estimates for the period ending 30 September 1994, it had decided to request the Secretary-General to present a performance report for the period ending 31 March 1994. It had also requested a review of the auditing requirements for UNPROFOR as well as the Secretary-General's proposals with regard to civilian staff. The Advisory Committee had discussed the Secretary-General's report, bearing that request in mind. It had, moreover, visited UNPROFOR at the beginning of July 1994.

2. With regard to the section of the report on financial performance for the period from 1 July 1993 to 31 March 1994 (paras. 11-23), the Advisory Committee had noted a number of problems relating to budget planning and procurement. It trusted that those problems would be addressed so as to correct the shortcomings which it had identified.

3. Referring to paragraphs 24 and 25 of the report, concerning expenditure for the period from 1 April to 30 September 1994, he said that the General Assembly had appropriated an amount of $850 million gross for that period; however, preliminary information indicated that an unencumbered balance of $81 million was forecast and that, of that amount, $57.6 million related to procurement and other services for which resources would be rebudgeted for the period from 1 October 1994 to 31 March 1995. As for the cost estimates for the period from 1 October 1994 to 31 March 1995, the Secretary-General had requested an amount of $997.7 million, an increase of $147.7 million, or 17.4 per cent over and above the appropriation authorized by the General Assembly for the period ending 30 September 1994.

4. One question that had been considered at length was the Secretariat's review of the civilian staffing proposals. In his earlier report on the financing of UNPROFOR (A/48/690/Add.3), the Secretary-General had requested 6,600 posts for the period ending 30 September 1994. The Advisory Committee had made a number of observations regarding the justification of the posts and the General Assembly, in its resolution 48/238 B, had requested a review of the staffing proposals. Currently, the Secretary-General was requesting a total of 6,300 posts. While the Advisory Committee had difficulty understanding the step-by-step methodology used by the Secretary-General in arriving at those figures, it had not recommended an overall reduction of posts. It had, however, proposed a cap on the number of international contractual personnel, recommending that 1,500 positions should be authorized as against the Secretary-General's proposal for 2,108. In making that recommendation, the Advisory Committee had borne in mind a number of the recommendations in its report on the

administrative and budgetary aspects of the financing of the United Nations peace-keeping operations (A/49/664).

5. In his latest report (A/49/540 and Add.1), the Secretary-General had proposed an amount of $293,335,300 for procurement and other services. After considering that proposal at length, the Advisory Committee had considered it unlikely, in view of the lengthy procurement process, that the entire amount would be committed during the period from 1 October 1994 to 31 March 1995, and, taking into account an amount of $57.6 million relating to the period ending 30 September 1994 that had been reprogrammed for the period from 31 October 1994 to 31 March 1995, it had recommended that an amount of $55 million should be deferred (A/49/753, para. 49).

6. Referring to the auditing requirements for UNPROFOR (paras. 54 to 57), he said that the Advisory Committee welcomed the Secretary-General's proposals in that regard and considered that the number of resident auditors should be kept under review.

7. In conclusion, he said that the Advisory Committee recommended an appropriation of $927.8 million gross ($921.9 million net) for the period from 1 October 1994 to 31 March 1995. It also recommended that, for the period beginning 1 April 1995, the Secretary-General should be authorized to enter into commitments not to exceed $134,731,500 gross ($133,702,200 net).

8. Mr. TAKASU (Controller), introducing the report of the Secretary-General (A/49/540 and Add.1), said that the current mandate of UNPROFOR had been extended until 31 March 1995, and that the Secretariat had therefore presented a budget covering the period from 1 October 1994 to 31 March 1995. The performance report covered an earlier mandate period, from 31 July 1993 to 31 March 1994.

9. For the months of October and November 1994, the General Assembly had authorized commitment of a total of $280 million gross and for December 1994, a maximum of $140 million gross had been approved. However, while a total of $420 million had been authorized, only $280 million gross had been assessed. There was, moreover, a total unencumbered balance of $4.9 million from the period from 31 July 1993 to 31 March 1994, which could be used as an offsetting element.

10. With regard to the cost estimate for the period from 1 October 1994 to 31 March 1995, the Secretary-General, after taking into account voluntary contributions, requested a total appropriation of $992,688,900 gross. That estimate was based on certain assumptions regarding force strength, civilian police and international staff. It was estimated that by the end of March 1995 the maximum force strength would be 44,216.

11. The Secretariat had earlier requested a total of 6,600 posts, including international contractual personnel and other categories of staff. In response to General Assembly resolution 48/238 B, the Secretariat had endeavoured to reduce the number of staff and had now provided a revised staffing table of 6,300 posts. In calculating costs, vacancy factors ranging from 35 to

/...

15 per cent had been used and in the case of international contractual personnel, a 20 per cent vacancy factor had been included to reflect actual numbers. The budget submission also provided for the balance of vehicles, accommodation containers and other equipment required in connection with the enlargements of the Force's mandate authorized by the Security Council in its resolutions 908 (1994) and 914 (1994).

12. As for the current financial situation of UNPROFOR, outstanding contributions by Member States totalled $673 million. With regard to troop costs and reimbursement for contingent-owned equipment, the Secretariat had done everything possible to accelerate payments to troop-contributing countries; while troop costs had been reimbursed to the end of September 1994, they could not be reimbursed for October because of insufficient cash. As to contingent-owned equipment, preliminary estimates indicated that from the beginning of the mission to the end of 1993, payments totalling $154 million had been made.

13. After examining the Secretary-General's proposals, the Advisory Committee recommended a reduced appropriation in the amount of $927,779,200 gross for the current mandate period. In that connection, the Secretariat took note of the Advisory Committee's comments concerning shortcomings in the budget presentation, and would try to remedy them.

14. With regard to international contractual personnel, the Secretariat had requested a total of 2,108 posts for such staff out of the total of 6,300 civilian posts. If a 20-per-cent vacancy factor was applied to that figure the result would be 1,684 posts, of which almost 1,500 had been filled. The Advisory Committee recommended that the number of international contractual personnel should not exceed 1,500, pending review. If that recommendation was accepted, an alternative might have to be found in order to provide UNPROFOR with the technical support it required. Without adequate transitional measures, the operational capacity of UNPROFOR would be seriously affected. He requested that, pending review, the Committee should authorize the Secretariat to proceed with the recruitment of additional international contractual staff which was already under way.

15. The delay in procurement was due to several factors, including the fact that the situation in the area of operation was continually in flux, that the Security Council had frequently extended the mandate of UNPROFOR and that financial authority had been granted for a very short period, which made it difficult to plan ahead and to estimate requirements. The Secretariat endorsed and appreciated the Advisory Committee's recommendation that every effort should be made to improve the planning and procurement process. The Secretariat was conducting a study on how forward planning could be introduced when full financial authority had not yet been granted. The length of time for which financial authority should be granted was one of the issues that should be considered in the context of the streamlining of budgetary procedures.

16. In conclusion, he said that, the Secretariat accepted the ACABQ recommendation, for the current period from 1 October 1994 to 31 March 1995, of a total appropriation of $927,779,200 gross, including the $280 million already appropriated and assessed and an additional appropriation of $647,779,200 gross,

/...

to be offset by the unencumbered balance of $4,942,780 gross that had been reported. Moreover, it requested that the Secretary-General should be authorized to enter into commitments beyond 31 March 1995, subject to the conditions outlined, and that a decision should be taken to establish the financial period as one year, adjustable to different cycles, as in the case of procurement.

17. Mr. BEISSEL (Department of Peace-keeping Operations), referring to the recommendation by ACABQ in paragraph 42 of its report (A/49/753) that the total number of international contractual personnel in UNPROFOR should not exceed 1,500, said that UNPROFOR was a unique United Nations operation in that three quarters of its military logistic functions were carried out by civilian, and not military, personnel. A limitation on the number of civilian personnel could therefore impede the mission's ability to support the military personnel provided by troop-contributing countries. The Secretariat accordingly requested the Committee to wait for the evaluation called for by ACABQ before taking a decision on the issue. He pointed out, moreover, that UNPROFOR had already exceeded the proposed civilian staff limitation by 300 and that any new contractual arrangements would entail unauthorized expenditure. In any event, the Secretariat was working hard to address the issues and hoped that the question of numbers would not be prejudged.

18. Mr. BOIN (France) said that his delegation was seriously concerned about the tight deadlines set for the Committee to react to the report of ACABQ, which had only been distributed earlier that same day. The financing of UNPROFOR accounted for some $2 billion out of the regular budget and the issue therefore needed painstaking scrutiny and referral to capitals. His delegation wished to raise certain questions about the report and hoped that answers could be provided during the informal consultations on the item. He also noted that, given the large scale of UNPROFOR, his questions were also relevant to agenda item 132, on the administrative and budgetary aspects of the financing of the United Nations peace-keeping operations as a whole.

19. With reference to paragraph 10 of the report, his delegation was concerned about the Advisory Committee's uncertainty as to the basis on which the provisions had been computed and it would revert to that issue both during the informal consultations and under agenda item 132. It was also concerned about the information provided by the Controller that only $154 million had been paid, representing a progress payment covering the period up to the end of 1994 only.

20. In addition, he wondered whether the question of overexpenditure mentioned in paragraph 15 of the Advisory Committee's report indicated shortcomings in budgetary controls. In that context, his delegation was keenly interested in the recommendation in paragraph 22 that consideration should be given to the adoption of a system for the appropriation of resources similar to that for the regular budget. It believed that that proposal and its possible consequences should be carefully examined.

21. While it accepted that UNPROFOR was a unique operation and that it was important to avoid administrative rigidity, with its possible negative effects, his delegation remained concerned about the lack of transparency in the

implementation of budgetary controls. That applied also to the issue of purchase and procurement referred to in paragraph 20 of the Advisory Committee's report, and to the issue of civilian personnel. While it understood the legitimate apprehensions of the representative of the Department of Peace-keeping Operations, it drew attention to the concerns raised in paragraph 69 of the Advisory Committee's report on the adminstration and budgetary aspects of the financing of the United Nations peace-keeping operations (A/49/664), relating to the recruitment of civilian personnel. The issue required further examination before his delegation could take a stand, but it was already clear that there was a need for greater transparency.

22. Finally, in the light of the information provided by the Controller that contributions to UNPROFOR were $673 million in arrears, he hoped that a list of States with outstanding contributions could be circulated during the informal consultations.

23. Mr. SHARP (Australia) said that his delegation agreed with the representative of France concerning the need for the timely submission of documents. Had the representatives of the Secretary-General and ACABQ complied with the timetable, the Committee would have had a full week to consider the report of ACABQ (A/49/753).

24. His delegation wished to draw particular attention to the information contained in paragraph 18 of that report relating to administrative delays in the deployment of peace-keeping troops, and suggested that the matter should be taken up during the informal consultations on the item.

25. Mr. ORR (Canada) said that, after studying the Advisory Committee's report and consulting with its capital, his delegation shared the Secretary-General's concerns regarding the recommendation that the number of international contractual personnel should be limited to 1,500. He hoped that the conference room paper on the issue would be available before the draft resolution was finalized, in view of the impact which such a limitation could have on the performance of UNPROFOR. His delegation was also concerned about the recommendation to defer an amount of $55 million for procurement: it requested the Secretary-General to comment on the impact which that cut in procurement would have on the operation of UNPROFOR, if possible at the commencement of the informal consultations on the issue.

AGENDA ITEM 110: ADMINISTRATIVE AND BUDGETARY COORDINATION OF THE UNITED NATIONS WITH SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY (A/49/588)

26. Ms. MILLS (Director, Financial Management Office, Department of Administration and Management), introducing the statistical report by the Administrative Committee on Coordination (ACC) on the budgetary and financial situation of organizations of the United Nations system (A/49/588), said that the report was the only one of its kind in that it aimed to consolidate in a single document information previously available only piecemeal in a number of other documents. The purpose of the report was to meet the wishes of Member States for a comprehensive overview of the data in question. The compilation of

/...

the document had a side benefit in that it reduced the workload of those responsible for providing the data, since they would not now have to do that same work twice. Member States were invited to suggest additional data and other areas which could be included in future such reports.

27. The CHAIRMAN suggested that the Committee should take note of the report, which was of a purely informative nature.

28. It was so decided.

AGENDA ITEM 105: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/49/633)

29. The CHAIRMAN drew attention to the report of the Secretary-General (A/49/633), which had been prepared pursuant to General Assembly decision 47/454, and suggested that it should be taken up in the informal consultations.

30. It was so decided.

AGENDA ITEM 114: UNITED NATIONS COMMON SYSTEM (continued) (A/C.5/49/L.7)

31. Ms. ROTHEISER (Austria), introducing the draft resolution contained in document A/C.5/49/L.7, said that the phrase "in this regard" should be inserted in section I, paragraph 1, after the words "Notes with regret".

32. The effect of the draft resolution would be to approve a 4.1 per cent increase in the base/floor salaries for staff in the Professional and higher categories with effect from 1 March 1995, and a 10.26 per cent increase in the levels of the children's and secondary dependant's allowances with effect from 1 January 1995, as well as other increases and adjustments as recommended by the International Civil Service Commission (ICSC).

33. The draft resolution also addressed the delicate issue of staff participation in the work of ICSC. She hoped that the request of the General Assembly to the parties concerned to review with all urgency how the consultative process of the Commission could best be furthered would bring about better understanding among those parties.

34. Following its longstanding request to ICSC to undertake a study of the application of the Noblemaire principle, the General Assembly would now request the Commission to proceed with its study with all urgency and to submit final recommendations at the earliest opportunity. She hoped that the study would be submitted during 1995 so that the common system could be a competitive employer at its fiftieth anniversary.

35. Draft resolution A/C.5/49/L.7, as orally revised, was adopted.

36. Mr. KUZNETSOV (Russian Federation) said that, although his delegation had shown flexibility in joining the consensus needed for the adoption of the resolution, it had serious reservations concerning the basis for the Commission's views on the education and dependency allowances. He hoped that

the views put forward by the Russian Federation during the informal consultations would be taken into account in future consideration of the issue and that ICSC would review its recommendations accordingly.

37. The CHAIRMAN said that he had received a letter from the President of the Federation of International Civil Servants' Associations (FICSA) dated 9 December 1994 with reference to draft resolution A/C.5/49/L.7. The letter stated that FICSA had, on various occasions, drawn attention to the technical flaws in the revised General Service salary methodologies which had not yet been addressed and, together with the Coordinating Committee for Independent Staff Unions and Associations of the United Nations System (CCISUA), had expressed disappointment that the Commission had chosen not to confront the problem. In those representations, FICSA had explained why the staff in Geneva and Rome were not in a position to participate in a process which was recognized as imperfect by most of the players, including several members of the Commission itself.

38. The letter went on to state that while FICSA appreciated the understanding of the staff position displayed by Member States in the draft resolution, it perceived a lack of consistency in the request contained in section IV A, paragraph 1, urging "all parties concerned to participate in the surveys". The letter concluded by conveying the Federation's regret that it had been unable to participate in the salary survey process, since its participation would have lent credibility to a methodology which it had questioned and which would, in any event, be re-examined in the near future.

AGENDA ITEM 115: UNITED NATIONS PENSION SYSTEM (continued) (A/C.5/49/L.6)

39. Ms. EMERSON (Portugal), introducing the draft resolution contained in document A/C.5/49/L.6, said that it was a consensus text and that she recommended it for adoption by the Committee.

40. Mr. VARELA (Chile) said that his country, which was one of the Member States referred to in section VII, paragraph 5, of the draft resolution, was pleased to be able to inform the Committee, in accordance with the provisions of article II, section 7, of the Convention on the Privileges and Immunities of the United Nations, that the rates applicable to United Nations Joint Staff Pension Fund investments in Chile were currently showing a surplus.

41. Draft resolution A/C.5/49/L.6 was adopted.

The meeting rose at 4.45 p.m.

UNITED NATIONS
General Assembly
FORTY-NINTH SESSION
Official Records

FIFTH COMMITTEE
32nd meeting
held on
Wednesday, 14 December 1994
at 10 a.m.
New York

SUMMARY RECORD OF THE 32nd MEETING

Chairman: Mr. TEIRLINCK (Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 107: PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (continued)

Programme budget implications of draft resolution A/C.1/49/L.2/Rev.1 concerning agenda item 72

Programme budget implications of draft resolution A/49/L.45 concerning agenda item 37

Programme budget implications of draft resolution A/49/L.35 concerning agenda item 42

Programme budget implications of the draft resolution submitted to the General Assembly for adoption by the Second Committee in its report contained in document A/49/729/Add.5 concerning agenda item 89

Report of the Secretary-General on revised estimates resulting from resolutions and decisions of the Economic and Social Council

AGENDA ITEM 155: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991

AGENDA ITEM 123: FINANCING OF THE UNITED NATIONS OPERATION IN SOMALIA II (continued)

AGENDA ITEM 126: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN GEORGIA

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of the publication* to the Chief of the Official Records Editing Section, room DC2-794, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/49/SR.32
28 December 1994

ORIGINAL: ENGLISH

/...

The meeting was called to order at 10.25 a.m.

AGENDA ITEM 107: PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (continued)

Programme budget implications of draft resolution A/C.1/49/L.2/Rev.1 concerning agenda item 72 (A/C.1/49/L.2/Rev.1; A/C.5/49/35)

Programme budget implications of draft resolution A/49/L.45 concerning agenda item 37 (A/49/L.45; A/C.5/49/36)

Programme budget implications of draft resolution A/49/L.35 concerning agenda item 42 (A/49/L.35; A/C.5/49/45)

Programme budget implications of the draft resolution submitted to the General Assembly for adoption by the Second Committee in its report contained in document A/49/729/Add.5 concerning agenda item 89 (A/49/729/Add.5; A/C.5/49/52)

Report of the Secretary-General on revised estimates resulting from resolutions and decisions of the Economic and Social Council (A/C.5/49/12)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General's statement on the programme budget implications of draft resolution A/C.1/49/L.2/Rev.1 concerning the establishment of an African nuclear-weapon-free zone (A/C.5/49/35) indicated that implementation of the recommendations contained in that draft resolution would give rise to expenditure estimated at $112,300. Paragraph 7 of the statement showed that the total amount included conference-servicing costs of $27,200 and non-conference-servicing costs of $85,100 to cover the travel and subsistence costs of 17 experts and two staff members, and consultant services for three work-months at the P-3 level for a five-day meeting in Pretoria in 1995. It was the Secretary-General's view that the Centre for Disarmament Affairs would be able to absorb the total amount of $112,300. The Advisory Committee had therefore concluded that draft resolution A/C.1/49/L.2/Rev.1 would entail no additional appropriation under the programme budget for the biennium 1994-1995.

2. In draft resolution A/49/L.45 concerning emergency international assistance for Afghanistan, the Secretary-General was requested to continue the special mission established under General Assembly resolution 48/208. At the time of the establishment of the special mission the Secretary-General had estimated its cost at $70,000 under section 3 of the programme budget for the biennium 1994-1995. The Advisory Committee had been informed that in 1994 costs of almost $600,000 had been incurred for the special mission. In his statement of the programme budget implications of the draft resolution (A/C.5/49/36), the Secretary-General made provision for a Special Envoy at the Under-Secretary-General level, two security officers and one General Service staff member. It was the Secretary-General's view that the total additional requirements for 1994-1995 of $601,100 could be absorbed by transferring resources from

activities related to apartheid. No additional appropriation would therefore be required.

3. The political functions of the Office of the Secretary-General for Afghanistan and Pakistan (OSGAP) would be moved from Jalalabad to Kabul to a new Office of the Secretary-General in Afghanistan (OSGA) and additional staff resources would be allocated to the Office. In 1993, on the recommendation of the Advisory Committee, $1 million had been provided for OSGAP to cover operating costs and one P-5, four Field Service and two General Service posts, as well as seven local-level posts and one military adviser. The Secretary-General believed that the new mission would require one D-2, one P-5 and one General Service post, one security officer, three Field Service posts and nine local-level posts and two military advisers. The Advisory Committee recommended approval of those staffing requirements. However, since OSGA would provide support to the special mission it believed that the resources for the operation of the special mission and OSGA should be used in a complementary manner. The logistical support provided to the special mission by OSGAP and the other United Nations missions in the area was described in document A/49/208. It was the Advisory Committee's view that, if the resources were used in a complementary manner, there would be no need to provide more than $1 million for OSGA and that the adoption of the draft resolution before the General Assembly should give rise to an additional appropriation of $1 million. He recalled that in 1993 the Advisory Committee had recommended the appropriation of a similar amount under section 4; it had been informed that $930,000 had so far been committed or disbursed. The requirement was not governed by the provisions of the contingency fund.

4. The Secretary-General's statement on the programme budget implications of draft resolution A/49/L.35 concerning the situation in Central America was contained in document A/C.5/49/45. In 1993, on the recommendation of the Advisory Committee, the General Assembly had appropriated $332,200 under section 4 to cover, inter alia, one P-5 and two P-4 posts. The Advisory Committee recommended approval of the Secretary-General's request for the continuation of those posts. The adoption of the draft resolution would entail an additional appropriation of $330,300 under section 4 and $73,300 under section 28 (Staff assessment), to be offset by a corresponding amount under income section 1. Those amounts were not governed by the provisions of the contingency fund.

5. In his statement on the programme budget implications of the draft resolution contained in the report of the Second Committee on the sustainable development of small island developing States (A/49/729/Add.5) (A/C.5/49/52), the Secretary-General indicated that the recommendations contained in the draft resolution, especially in paragraphs 12, 13 and 15, would necessitate the establishment of up to seven posts: three at the P-4 level for three regional economic commissions; one at the P-4 level for the United Nations Conference on Trade and Development; and one at the P-5, one at the P-4 level and one General Service post for the Small Island Developing States Unit. The total staff costs were estimated at $380,500, with an additional $95,100 required for staff assessment. The Secretary-General was also requesting an appropriation of

/...

$80,000 for non-staff costs: $30,000 for consultant services; $30,000 for convening an ad hoc expert group meeting; and $20,000 for staff travel. The total requirements amounted to $460,500.

6. Following its discussion of the question and an exchange of views with the representatives of the Secretary-General, the Advisory Committee had concluded that resources should be made available to the Secretariat to cover the 1995 costs for posts on a temporary basis. The question of the permanent establishment of the posts would be considered by the General Assembly in the context of the programme budget proposals for the biennium 1996-1997. The Advisory Committee therefore recommended that $380,500 plus $95,100 should be provided as general temporary assistance to cover the staff costs for 12 months. It also concurred with the Secretary-General's proposals concerning other non-staff costs. The breakdown by budget section of the 1995 resource requirements of $460,500 was given in paragraph 13 of the statement. The appropriation was governed by the provisions of the contingency fund.

7. In his report on the revised estimates resulting from resolutions and decisions of the Economic and Social Council (A/C.5/49/12), the Secretary-General estimated that an additional $772,400 would be required for the biennium 1994-1995. The breakdown of that amount by decision of the Council was given in paragraph 17 of the report. The bulk of the requirement related to decisions in connection with the human rights situation in Rwanda. As indicated in paragraph 8 of the report, the Advisory Committee had concurred in authorizing the Secretary-General to enter into commitments in an amount not exceeding $605,800. The Secretary-General now indicated that only $539,700 would need to be approved. In paragraph 19 he outlined the activities which would be postponed if the additional requirements of $722,400 could not be met from the contingency fund. In paragraph 20 he indicated that the resources released by such postponement would be used to finance the activities under resolution 1994/7 and decisions 1994/232, 1994/244, 1994/251 and 1994/254 of the Economic and Social Council. The implementation of decision 1994/223 on the human rights situation in Rwanda could not be postponed. The Advisory Committee therefore recommended an additional appropriation of $772,400 under sections 8, 14 and 21, subject to the provisions of the contingency fund. The Committee did not need to report to the General Assembly on document A/C.5/49/12, but merely to indicate the amount approved. The Secretary-General would then prepare a consolidated statement of programme budget implications and inform the Committee as to whether the activities could be financed from the contingency fund or needed to be postponed.

8. Mr. STITT (United Kingdom) said that his delegation wished to raise a number of questions concerning the Committee's present procedure and the recommendations of ACABQ, partly for clarification and partly to ensure that the Committee could act coherently on the various statements of programme budget implications which it would be considering. It was probable that the Secretary-General's consolidated statement of programme budget implications would be such as to require postponement of various activities in order to avoid exceeding the limits of the contingency fund. The Committee would not be acting in the best interests of the United Nations if it approved the statements as they were

presented without any reference to the overall question of priority which might well have to be addressed towards the end of the session. His delegation was not insisting on full written reports by the Advisory Committee on the statements of programme budget implications and the associated revised estimates, but it was essential for a summary of the Advisory Committee's recommendations to be made available before the Committee took action.

9. Several of the proposals now before the Committee were judged to give rise to additional appropriations. In the view of the Advisory Committee, two of them fell clearly within, and two clearly outside, the provisions of the contingency fund. His delegation did not necessarily agree with that view, for it appeared that the costs of the activities of OSGAP and the special mission to Afghanistan and the activities in Central America had been absorbed under the regular budget in 1994 with no need for additional appropriations.

10. His delegation would have no difficulty in taking a decision based on the advice of the Advisory Committee on the statement of programme budget implications contained in document A/C.5/49/35, but it thought that the Committee should take no action on the other four statements pending receipt of a report on the cumulative implications for the second year of the biennium.

11. Ms. RODRIGUEZ (Cuba) said that her delegation shared the concerns expressed by the representative of the United Kingdom. The Committee was not in a position to take action on the statements of programme budget implications now before it.

12. Mr. TAKASU (Controller) pointed out that expenditure on activities in Central America and Afghanistan did not fall within the normal operation of the contingency fund since they related to peace and security.

13. Mr. ETUKET (Uganda) agreed with the representative of the United Kingdom regarding the need to take a final decision in the context of the consolidated statement of programme budget implications. Since document A/C.5/49/12 had been issued in mid-November, he asked whether an addendum would be issued covering resolutions and decisions of relevance to the Economic and Social Council which were still under negotiation, in particular in the Third Committee.

14. Mr. KELLER (United States of America) asked whether the Advisory Committee had considered the statement of programme budget implications contained in document A/C.5/49/37.

15. Mr. KELLY (Ireland) said that, since the Committee was not going to take action at the current meeting on the statements of programme budget implications under consideration, it would be useful to have a written text of the comments of the Chairman of the Advisory Committee in time for the following meeting.

16. Mr. STITT (United Kingdom) said that the financial implications of Economic and Social Council decisions were a somewhat confusing matter - there was at least one other item about to be submitted to the Third Committee which had financial implications and which was not reflected in document A/C.5/49/12. It

would be useful to receive individual statements of programme budget implications; failing that, documents indicating that the Council had been made aware of the financial implications of its decisions should be made available.

17. The CHAIRMAN, responding to the United States delegation, said that the amendment which was the subject of the statement of programme budget implications contained in document A/C.5/49/37 had been withdrawn; the statement had therefore been superseded.

18. Mr. TAKASU (Controller) said that the Committee could rest assured that the Economic and Social Council had been properly informed of the programme budget implications of its decisions, although action with regard to programme budget implications was, of course, within the purview of the General Assembly and not the Council. While the Economic and Social Council might well hold a session in the near future and take further decisions, action was needed on those already taken. As for matters under consideration in the Third Committee or in other committees where negotiations were still ongoing, the Secretariat would be guided by whatever decisions were taken by those organs, and, if it was unable to absorb the costs or implement activities without additional resources, it would issue further statements of programme budget implications. That was not, however, necessary for the time being.

19. Mr. STITT (United Kingdom) said he understood that decisions of the Economic and Social Council must either be endorsed all together as part of the Council's report, or be the subject of separate General Assembly decisions. The Fifth Committee needed assurance on that point. Since the Third Committee would be finalizing a pertinent decision in the very near future, it would be prudent for the Fifth Committee to postpone consideration of the revised estimates until all the recommendations relating to economic and social matters were known.

20. Mr. TAKASU (Controller) said that the General Assembly was awaiting action by the Fifth Committee on the statements of programme budget implications and the revised estimates before it. The Secretariat could prepare a summary table indicating all the decisions with programme budget implications relating to the economic and social sectors, so as to give the Committee an overview. If, however, the Committee were to await the consolidated statement of programme budget implications, it would delay the work of the General Assembly.

21. The CHAIRMAN suggested that the Committee should defer action on the statements of programme budget implications before it pending preparation of the summary table.

22. It was so decided.

AGENDA ITEM 155: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (A/47/915 and Corr.1; A/C.5/47/77/Add.1 and Add.1/Corr.1)

23. Mr. TAKASU (Controller) said that, although the final accounts for the biennium 1990-1991 had been closed 35 months earlier, the final appropriations for the biennium had yet to be approved. That situation had arisen because, in

the final performance report for the biennium, submitted in December 1991, a net increase of $28.9 million had been sought by the Secretary-General. The Advisory Committee had noted that certain savings might accrue before the accounts were finally closed and had recommended to the General Assembly that it should appropriate $15 million and grant commitment authority to the Secretary-General of up to $13.9 million. Those recommendations had been approved by the General Assembly.

24. At the closing of the accounts in 1992, net additional expenditure of $11.9 million had been recorded, but the General Assembly had postponed consideration of the Secretary-General's request for an additional appropriation to cover that amount. During 1992, savings had been realized through the liquidation of obligations and the Secretary-General had therefore proposed that the General Assembly should appropriate for the biennium 1990-1991 a gross amount of $17.6 million, offset by revised income estimates of $9.3 million, giving a net amount of $8.3 million. While the Advisory Committee had endorsed that request, the General Assembly had again deferred action. As a result of further savings, the final net requirement had declined to an appropriation of $7.9 million.

25. The overexpenditure had resulted mainly from decisions of the International Civil Service Commission, involving additional expenditure of $17.3 million, and the evacuation of staff from the Economic and Social Commission for Western Asia (ESCWA) and the Economic Commission for Africa (ECA) in 1990, at an estimated cost of some $4.8 million. The Fifth Committee should now recommend an increase in the appropriation authorized for the biennium 1990-1991 of $17.2 million, offset by revised income estimates of $9.2 million, leaving a net amount slightly in excess of $7.9 million. Since there was an anticipated surplus of $36 million for the biennium 1992-1993, the additional appropriations for 1990-1991 would be offset against that amount.

26. Mr. MENKVELD (Netherlands) said that, at previous sessions of the Fifth Committee, his delegation had been unable to support a decision on the final appropriation for the biennium 1990-1991 on account of the confusion over the employment of supernumerary staff for whom no posts had been budgeted. In resolution 43/213, the General Assembly had approved a substantial reduction in the number of posts, through attrition or agreed termination, and the reassignment of supernumerary staff. The deadline for the reduced staffing table had been set at the beginning of the biennium 1990-1991.

27. It appeared from the closure of the accounts as of 31 December 1992 that the Secretary-General had proposed that the General Assembly should appropriate, for the biennium 1990-1991, an additional amount which would include the cost of over 200 staff members who had remained in employment with the Organization despite the fact that there were no posts for them in the staffing table. His delegation had drawn attention to two important issues: first, as the Board of Auditors had stated, payments to supernumerary staff should not have been made without the prior approval of the General Assembly, and second, the initial information provided by the Secretariat on the issue of supernumerary staff had been limited and at times inconsistent.

/...

28. While his delegation recognized the need for the Organization to proceed carefully with the release of supernumerary staff, that should not prevent the Secretary-General from obtaining prior approval from the General Assembly to maintain supernumerary staff, nor was it a reason for the failure of the Secretariat to provide adequate and timely information on the issue. That failure had made it necessary for his delegation to raise the issue of the lack of reference to supernumerary staff in the performance report for the biennium 1990-1991 on a number of occasions.

29. His delegation was grateful for the additional information provided, albeit late, by the Secretariat and welcomed the ongoing efforts to reduce the number of supernumerary staff and the intention to complete the redeployment of posts and staff by the end of 1994. His delegation was also confident that, under the new management culture, based on accountability and responsibility, staff would no longer be retained without the prior approval of the General Assembly if no posts were budgeted for their functions. Having said that, his delegation was prepared to endorse the increase in the appropriations for the biennium 1990-1991 which had been requested.

30. Mr. BOIN (France) said that, despite the valuable explanations provided by the Controller, his delegation was not convinced that the expenditure in excess of the amount appropriated by the General Assembly was not in fact attributable to the cost of supernumerary staff. That serious issue raised the principle of respect for the budgetary prerogatives of the General Assembly and the importance of not presenting Member States with a *fait accompli*. His delegation attached great importance to assigning managerial responsibility and holding managers accountable for errors.

31. For those reasons his delegation was not prepared to pay for a decision over which it had had no control and which amounted to regularizing what was in fact an irregularity. It was therefore not in a position to approve the request for final appropriations for the biennium 1990-1991 on an *ex post facto* basis.

32. Mr. STITT (United Kingdom) said that to a large extent his delegation shared the view expressed by the previous two speakers that the excess of unauthorized expenditure in the biennium 1990-1991 was, in fact, the result of the failure of the Secretariat to address adequately the problem of supernumerary staff. However, his delegation shared the view of the delegation of the Netherlands that the question of supernumerary staff should be put to rest and it was prepared to approve the request for an increase in the appropriations for the biennium 1990-1991.

33. His delegation was, however, concerned about the request for a further assessment in respect of overexpenditure. It noted that in paragraph 7 of document A/47/915 the Advisory Committee had stated that "while the Advisory Committee agrees that a net amount of $8,382,100 would have to be appropriated, at this stage the Committee does not believe that it is necessary to assess that amount". For that reason, his delegation was unable to approve the second part of the Secretary-General's request and, in that respect, effectively shared the position expressed by the representative of France.

/...

34. Mr. KELLER (United States of America) said that his delegation, too, felt that the time had come to lay to rest the problem of excess expenditure attributable to the continued employment of supernumerary staff, and hoped that it would be possible in the future to adhere to the Organization's Financial Regulations. His delegation was prepared to accept the proposal that the surplus from the biennium 1992-1993 could be drawn upon to cover the excess expenditure.

35. His delegation was, however, concerned about another problem, namely, the systematic overbudgeting for staff assessment. He noted that the method had now changed and he hoped that the improved methodology would resolve the problem. His delegation would, however, expect reimbursements under that item in future years.

36. Mr. TAKASU (Controller) said that he was gratified by the confidence expressed by delegations in the new tighter managerial approach of the Secretariat, which was extremely conscious of the need to comply with the decisions of the General Assembly and to refer to it before, rather than after, taking action when any problems arose. In response to the remarks by the representative of France concerning supernumerary staff, he said that there had, indeed, been a number of staff whose posts had been abolished but who could not at the time be reassigned to permanent posts. That problem had now been eliminated; moreover, in budgetary terms it had not meant that the Organization had been carrying surplus staff, over and above the staffing tables approved by the General Assembly. While there had, indeed, been certain units or divisions in which it had been difficult to reassign staff as planned, there had been enough vacant posts throughout the Organization to accommodate the staff, and the Secretariat had not exceeded the approved level of staffing for the Organization as a whole.

37. With regarding to the question of assessment, it was true, as the United Kingdom representative had pointed out, that the Advisory Committee had earlier agreed that a net amount of $8,382,100 would have to be appropriated, although at that stage the Committee had not believed that it was necessary to assess that amount. However, the Advisory Committee had gone on to recommend that the question of assessment in respect of that amount should be dealt with in connection with the first performance report for the biennium 1992-1993. In his view, while the Advisory Committee had taken the view that it was not necessary at the earlier stage to assess an additional amount, the accounts for the biennium 1992-1993 had been closed and, in accordance with the Financial Regulations, there was no other way than to offset the surplus that had accrued during the biennium 1992-1993.

38. Mr. STITT (United Kingdom) said that he agreed with the Controller that paragraph 7 of the report of ACABQ (A/47/915) was somewhat ambiguous. Nevertheless, in cash terms the Secretariat had received more in assessments for the regular budget during the biennium 1990-1991 than had been budgeted for. For that reason, his delegation was not convinced that there was a need for any further contribution from Governments and would welcome clarification on that point from the Advisory Committee. It was not in a position to authorize the

Secretariat to retain approximately one third of the balance for the biennium 1992-1993, as had been suggested.

39. Mr. BOIN (France) endorsed the remarks made by the United Kingdom representative. The explanations provided by the Controller had indeed made it clear that vacant posts had been used to deal with the problem of supernumerary staff; in his delegations's view, that was not a satisfactory way of addressing the problem, particularly in the light of the new management culture of responsibility and accountability. The issue was one of principle and, while the amounts involved were not large, the debate had the merit of focusing attention. He appreciated the Controller's recognition of the need for transparency which, had it been observed in the past, would perhaps have prevented the problem from arising. Accordingly, his delegation was not, at the present stage, in a position to approve the request for final appropriations for the biennium 1990-1991 on an ex post facto basis.

40. Mrs. EMERSON (Portugal), referring to the issue of transparency and accurate information, said that it had come to her attention in the course of informal consultations that the information provided by the Secretariat regarding the costs of staff representation activities in document A/C.5/47/59 was inaccurate. That was a further regrettable instance of the Committee being given misleading information. She had requested that a corrigendum should be issued and, on that understanding, did not wish to delay action on the item under consideration.

41. The CHAIRMAN suggested that action on agenda item 155 should be postponed until a subsequent meeting in order to allow time for further informed consultations in the interests of achieving a consensus.

42. It was so decided.

AGENDA ITEM 123: FINANCING OF THE UNITED NATIONS OPERATION IN SOMALIA II (continued) (A/49/563 and Corr.1 and Add.1 and A/49/762 and Corr.1)

43. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Operation in Somalia (UNOSOM II) (A/49/563 and Corr.1 and Add.1), said that the cost estimate presented for the period from 1 June to 30 September 1994 had had to be revised in the light of recent developments, in particular, the extension by the Security Council in resolution 954 (1994) of the Operation's mandate until 31 March 1995. The revised cost estimate appeared in A/49/563/Add.1. Some operational elements would have to be determined as the situation evolved, but it had already been decided that troop numbers would be decreased. The average strength would be 15,000 in November, 13,500 in December and 10,200 in January and February 1995. Civilian staff would also be phased out proportionally. The revised cost estimate for the four-month period therefore amounted to $190 million. In view of the complexity of the final phase of the withdrawal in March 1995, including such aspects of security as closure of the Operation and the disposal of its assets, a revised report would be submitted in February 1995. The General Assembly was also being requested to appropriate additional resources for the period from 1 June to

30 September 1994, pending the submission of the full financing report. The amount of $245.4 million had already been authorized by the General Assembly for that period and an amount of $253.7 million was required for the period 1 October 1994 to 28 February 1995, giving a total appropriation of $499.1 million. An additional appropriation of $63.6 million was required for the period from 1 June to 30 September; the same amount had been assessed for the period from 1 October 1994 to 28 February 1995, so that the apportionment would amount to $317.3 million.

44. With regard to contributions and troop payments, he said that a total of $192.8 million in contributions to the special account for UNOSOM was still outstanding. The Secretariat had paid troop-contributing countries up to August 1994, but could not pay them for the months of September to November until States had paid their outstanding contributions. An interim payment for the use of contingent-owned equipment, amounting to $30.8 million, had been made for the month of October, but no payment had been made for subsequent months.

45. Referring to the question of the loss of $3.9 million of stolen cash at Mogadishu between 16 and 17 April 1994, he said that the investigation was continuing. A team had been sent to the spot immediately and the Office of Internal Oversight Services had obtained the assistance of Scotland Yard. On the administrative side, a series of actions had been taken to avoid a recurrence. UNOSOM II had been instructed to strengthen security and its cashier's office had been completely secured. Operational procedures for the transfer and handling of cash, including the modification of delivery dates, had been improved and an organizational unit had been given responsibility for the security of civilian buildings and assets. The use of cash to pay vendors had been reduced; under all new contracts vendors were paid by cheque and, where possible, existing contracts which made provision for cash payments had been renegotiated. The Secretary-General had also taken appropriate disciplinary action against the senior administrative officers in charge at the time. Those officers had been replaced, the staff had been strengthened and an internal auditor had been assigned to deal with the financial aspects of the matter. He noted that the loss had been included in the performance report. When the investigation had been concluded a decision would be taken as to whether or not to write off the loss.

46. Ms. HOLLAND (United Kingdom) said that the Committee had been promised that the results of the investigation would be made available to it. It was her understanding that the Scotland Yard investigation had been completed. She asked when the internal investigation would be concluded and when the Committee would be informed.

47. Mr. TAKASU (Controller) said that the internal investigation had not yet been completed and he could not say when it would be. He had made his statement on the assumption that the Committee would want to know what steps had been taken to date.

AGENDA ITEM 126: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN GEORGIA (A/49/429 and Add.1 and 2 and A/49/766)

48. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Observer Mission in Georgia (UNOMIG) (A/49/429 and Add.1 and 2), said that some of the information contained in the report was no longer valid and that reduced cost estimates had been submitted in document A/49/429/Add.2.

49. He recalled that the General Assembly had authorized the Secretary-General to enter into commitments for the Mission at a rate not to exceed $334,200 gross per month for the period from 1 July to 31 October 1994. As had been envisaged at the time, the Mission's mandate had been enlarged. The total commitments, including the $10 million authorized pursuant to General Assembly resolution 48/229 for unforeseen and extraordinary expenses, amounted to $11.2 million. For the period from 1 July 1994 to 13 January 1995, the Advisory Committee had recommended reductions in the costs of communication and equipment which would reduce the total appropriation for the period from 1 July 1994 to 13 January 1995 to $8.8 million, inclusive of the amount of $1.3 million that had already been authorized. The additional amount to be assessed would therefore be $7.9 million. The unencumbered balance of $1.1 million for the previous period would be offset against the additional assessment. For the period following 13 January 1995, he accepted the Advisory Committee's recommendation that the General Assembly should be requested to authorize the commitment of $1,720,034 per month.

The meeting rose at 12.30 p.m.